1975-76 FINAL BUDGET

FISCAL YEAR

Santa Clara Valley Water District

1.5.4.7-1
75-76

1 - 9L-5L
LH'5'1

HD1695 S383 B82 1975/76c.3

SUBMITTED BY: John T. O'Halloran
General Manager

BOARD OF DIRECTORS

Robert T. Sapp, Chairman

Joe Chiri
Maurice E. Dullea
Patrick T. Ferraro
James J. Lenihan
Edmund A. Mirassou
Courtland M. Rush

SANTA CLARA VALLEY WATER DISTRICT
1975-76

CONTENTS

	Page
GENERAL INFORMATION	1
BUDGETING PROCESS	1
MAJOR PROJECTS PROPOSED FOR 1975-76	2
POTENTIAL CONSTRUCTION	4
DISTRICT SALARIES AND STAFF	5
COMPARATIVE BUDGET - REVENUE	7
COMPARATIVE BUDGET - OUTLAY	8
REVENUE SUMMARY	9
OUTLAY SUMMARY	10
SUMMARY OF ESTIMATED CASH	11
DISTRICT TAX RATES	12
STATUS OF BONDED INDEBTEDNESS	13
FLOOD CONTROL ZONES	
Northwest Zone	14
North Central Zone	20
Central Zone	25

CONTENTS (Cont.)

	Page
East-1 Zone	31
East-2 Zone	36
South Zone	38
WATER UTILITY	42
Source of Supply	47
Raw Water Transmission and Distribution	52
Water Treatment	57
Treated Water Transmission and Distribution	60
Administration and General	63
DISTRICT COST CENTER	67
Governmental Program Projects	68
Fixed Assets	71
Administration Program Projects	76
Services and Supplies	78
SERVICE FUND	
Equipment Working Capital Fund	85

GENERAL INFORMATION

To finance its activities, the District has been divided into zones of benefit. Six of these zones support flood control activities. The boundary of each zone is described at the beginning of its Budget Summary. The remaining zones have been established for the conservation, distribution and treatment of local and imported water.

Ad valorem taxes are levied in each of the Flood Control Zones based upon estimated expenditures each budget year. The expenditures within each zone for all programs are presented on the program summary sheets within each zone budget.

Budgeting for the Water Utility is accomplished on an enterprise fund basis. Water supply activities are partially financed by a Countywide ad valorem tax to pay for the cost of import facilities and for the recreational benefits derived from the District's reservoirs. The major source of water supply income is a charge levied on all groundwater extracted within Zone W-2 of the District and from the sale of treated water. Other sources of revenue result from the levy of an ad valorem tax in Zones W-3 and W-4 and from the sale of surface delivered untreated water.

The District levies a small Countywide administration tax on secured and unsecured property to purchase fixed assets such as office equipment and to fund general governmental costs required in the overall operation of the District.

BUDGETING PROCESS

The budget is prepared as a cooperative effort of all organizational units and reviewed by a Budget Committee. Responsibility is established for every project in each program. Each work effort is defined by Project Coordinators and each participating organizational unit budgets the items necessary for its successful completion.

Each activity of the District can be related to one of several financial accounting units known as "cost centers". Within each cost center subgroupings of related activities are determined and called programs, an analysis of the major programs would show the following allocation of activities:

ADMINISTRATION includes all labor, equipment and contractual services required in the administration of a cost center.

PLANNING includes all labor, equipment and contractual services on projects up to the final design activity which is included in the Construction Program. Planning includes all planned studies, the preparation of hearing plans, and certain special studies.

CONSTRUCTION includes all labor, use or purchase of equipment and contractual services which result in the completion of a project or a substantial improvement to the life or value of a physical project or the acquisition of a new physical asset.

MAINTENANCE includes all work performed on District projects, facilities or equipment which result in maintaining constructed works or equipment in operating condition.

OPERATIONS Includes all work performed in the release, diversion, treatment or transportation of water in or through channels or pipelines.

MAJOR PROJECTS PROPOSED FOR 1975-76

This section will highlight the major projects proposed for 1975-76. It should be noted, however, that all significant projects are explained within each cost center. Included at the end of each section is a listing of each project showing the amount budgeted for each program.

ADMINISTRATION Work within this program provides a focal point to capture administrative support including District labor, equipment and contract services which benefit the entire cost center and are not allocable to any individual project. Included are costs for Ordinance Administration, Insurance and a general administrative project. The total cost of all Administration Programs in the zones and Water Utility are budgeted at an increase of 19 percent compared with the 1974-75 fiscal year. This increase is due primarily to increases in the Ordinance Administration Projects in four of the six Flood Control Zones.

PLANNING Work within this program provides coordinated studies and planning activities to support the needs of the cost center. Major planning studies for the 1975-76 fiscal year are:

Cost Center	Project Title	Cost
Northwest	Adobe Creek	$ 49,427
Northwest	Permanente Creek	49,482
Northwest	Stevens Creek	39,633
North Central	Calabazas Creek	81,138
North Central	San Tomas Aquino Creek	33,389
North Central	Saratoga Creek	34,943
Central	Guadalupe River	101,928
Central	Los Gatos Creek	133,075
East	Silver Creek - Lower	94,172
Source of Supply	Federal Water Project	50,000
Source of Supply	Saltwater Intrusion Study	55,766
Source of Supply	Reservoir Landslide Investigation	55,448
Source of Supply	SCVWD Water Reclamation Facility	34,754
Raw Water T&D	Raw Water Distribution - General	35,536
Admin. & General	Water Quality Coop Study	61,020
Admin. & General	Financial and Cash Flow Study	27,398
Admin. & General	Annual Water Supply Balance	27,313
Admin. & General	Water Resources Master Planning	223,601
Admin. & General	Water Quality Studies	38,648

CONSTRUCTION

The capital improvement budgets include the following major improvements to be initiated or completed in 1975-76. Details may be reviewed within the individual cost center text.

Cost Center	Project Title	Cost
Northwest	Permanente Creek	$ 133,944
Northwest	Stevens Creek	1,509,251
Northwest	Palo Alto Flood Basin	559,560
North Central	Calabazas Creek	3,620,177
North Central	San Tomas Aquino Creek	216,804
North Central	Saratoga Creek	193,900
North Central	Sunnyvale East Outfall	182,120

Cost Center	Project Title	Cost
Central	Alamitos Creek	$ 130,837
Central	Canoas Creek	123,668
Central	Guadalupe River	2,605,960
Central	Los Gatos Creek	299,610
East	Berryessa Creek	876,582
East	Silver Creek - Lower	1,288,667
Source of Supply	SCVWD Water Reclamation Facility	420,259
Raw Water T&D	Control System - Raw Water	176,933
Raw Water T&D	Coyote Canal Extension	167,715
Raw Water T&D	Kirk Distribution System	130,822
Raw Water T&D	McClellan Road Percolation Pond	331,985
Raw Water T&D	Almaden-Calero Canal	110,578
Water Treatment	Penitencia Water Treatment Plant	298,358
Treated Water T&D	East Pipeline	152,572
Treated Water T&D	West Pipeline	131,026

OPERATIONS & MAINTENANCE

Projects within these programs capture costs associated with the operations of all facilities for the water supply and for the maintenance of all constructed facilities and equipment in the Flood Control Zones and Water Utility to maintain them in the original or improved condition. The total Operations Program in all cost centers has increased 9 percent compared to fiscal year 1974-75. The total Maintenance Program has increased by 24 percent. The increase is due to extensive levee restoration work in the Flood Control Zones and to seismic study work in the Water Utility.

POTENTIAL CONSTRUCTION

In some of the Flood Control Zones and in the Water Utility, potential construction funding is provided. These appropriations contain funds which may be expended if work progresses faster than anticipated. A detailed description of potential construction funding is included in each applicable cost center.

DISTRICT SALARIES AND STAFF

The following presents a comparison of actual salaries for fiscal years 1972-73 and 1973-74, those approved in fiscal year 1974-75 and those requested for fiscal year 1975-76. There is a net adjusted dollar increase of 3.9 percent requested in 1975-76 compared to the amount approved in fiscal year 1974-75.

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Permanent Position Salaries	$3,281,661	3,618,072	4,242,015	4,345,700	4,345,700
Temporary Employee Salaries	146,939	140,625	123,769	136,910	136,910
Overtime Salaries	98,748	103,450	121,862	181,251	181,251
Total	$3,527,348	3,862,147	4,487,646	4,663,861	4,663,861
Permanent Positions	269	281	281	286	

The following presents a comparison of the District staff for the current year and that requested for the new fiscal year. There is an increase of 3 new positions requested for fiscal year 1975-76.

	1974-75	Changes During 1974-75	1975-76 New Requests	1975-76 Proposed Staff
General Manager	7		1	8
General Counsel	1			1
Clerk of the Board	10	(a) +1		11
Administration and Finance	46			46
Data and Control Systems	15		1	16
Chief Engineer	3			3
Advanced Planning	18	(b) +1		19
Design and Construction	76	(c) -1	1	76
Operations and Maintenance	105	(d) +1		106
Total	281	2	(e) 3	286

(a) 1 Office Assistant was added.

(b) 1 Assistant Civil Engineer was transferred from Design and Construction.

(c) 1 Assistant Civil Engineer was transferred to Advanced Planning.

(d) 1 Water Treatment Plant Operator I was added.

(e) 1 Office Assistant to assist in personnel work.
1 Programmer II to work on commercial program development.
1 Assistant Civil Engineer to perform review and give approval of ordinance application.

SANTA CLARA VALLEY WATER DISTRICT

COMPARATIVE BUDGET

OUTLAY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
District Labor	$ 4,284,161	4,617,837	5,811,361	6,761,654	6,761,654
Contract Services	8,488,264	12,835,776	13,554,457	18,687,127	18,687,077
Materials and Supplies	423,966	382,578	786,600	805,814	805,814
Land and Structures	1,115,682	1,716,696	2,121,075	1,590,400	1,590,400
Equipment Additions	210,439	263,110	243,891	380,355	380,355
Subtotal	14,522,512	19,815,997	22,517,384	28,225,350	28,225,300
Debt Service	2,917,256	3,241,708	3,648,900	3,530,056	3,530,056
Inter-Fund Adjustment	794,889	4,179,649	300,253	326,960	326,960
Total Expenditures	18,234,657	27,237,354	26,466,537	32,082,366	32,082,316
Potential Construction	8,071,356	5,325,445	5,652,000	9,052,970	9,052,970
Replacement Fund	792,797	876,658	808,350	1,055,982	1,055,982
Contingency Appropriation	1,823,000	2,723,000	3,164,067	3,211,206	3,211,206
Total Appropriations	28,921,810	36,162,457	36,090,954	45,402,524	45,402,474
General Reserve	20,550,555	23,399,608	13,346,717	8,450,647	8,388,690
Total Budget	$49,472,365	59,562,065	49,437,671	53,853,171	53,791,164

SANTA CLARA VALLEY WATER DISTRICT

DETAIL OF FINAL BUDGET 1975-76

OUTLAY SUMMARY

	FLOOD CONTROL ZONES						WATER		EQUIP.WORK	
	NORTHWEST	NO.CENTRAL	CENTRAL	EAST-1	EAST-2	SOUTH	UTILITY	DISTRICT	CAP.FUND	TOTAL
District Labor	$ 425,372	762,863	761,039	576,944		191,474	3,241,186	621,585	181,191	6,761,654
Contract Services	2,041,834	3,987,876	2,818,031	2,294,102	24,355	103,922	7,224,259	160,700	31,998	18,687,077
Materials & Supplies	17,104	18,751	11,605	8,921		2,212	636,830	30,961	79,430	805,814
Land & Structures	353,125	312,100	406,400	300,750		2,500	53,225	162,300		1,590,400
Equipment Additions							110,460	184,273	85,622	380,355
Subtotal	2,837,435	5,081,590	3,997,075	3,180,717	24,355	300,108	11,265,960	1,159,819	378,241	28,225,300
Debt Service	260,748	758,672					2,510,636			3,530,056
Inter-Fund Adjust	29,013	28,777	35,731	34,121		5,026	144,548	44,367	5,377	326,960
Total Expenditures	3,127,196	5,869,039	4,032,806	3,214,838	24,355	305,134	13,921,144	1,204,186	383,618	32,082,316
Construction Reserve	365,000	762,970	2,925,000				5,000,000			9,052,970
Replacement Reserve							843,006		212,976	1,055,982
Contingency Reserve	105,000	150,000	668,000	10,000		5,000	1,000,000	1,200,000	73,206	3,211,206
Total Appropriated	3,597,196	6,782,009	7,625,806	3,224,838	24,355	310,134	20,764,150	2,404,186	669,800	45,402,474
General Reserve	801,567	572,406	4,038,880	299,234		129,763	409,392	2,137,448		8,388,690
Total Budget	$4,398,763	7,354,415	11,664,686	3,524,072	24,355	439,897	21,173,542	4,541,634	669,800	53,791,164

SUMMARY OF ESTIMATED CASH

	Potential Construction[1]	Replacement Fund[2]	Contingency Appropriation[3]	General Reserve[4]	Total
Flood Control Zones					
Northwest	$ 365,000		105,000	801,567	1,271,567
North Central	762,970		150,000	572,406	1,485,376
Central	2,925,000		668,000	4,038,880	7,631,880
East-1			10,000	299,234	309,234
South			5,000	129,763	134,763
Total	4,052,970		938,000	5,841,850	10,832,820
Water Utility Enterprise	5,000,000	843,006	1,000,000	409,392	7,252,398
District			1,200,000	2,137,448	3,337,448
Equipment Working Capital Fund		212,976	73,206		286,182
Total	$ 9,052,970	1,055,982	3,211,206	8,388,690	21,708,848

Estimated Cash - June 30, 1976	$21,708,848
Cash - June 30, 1975	30,812,189
Estimated Increase (Decrease) During Year	$(9,103,341)

1) An amount appropriated for outstanding contract commitments, pending inter-agency agreements, and/or project work which is of uncertain timing. These funds will be required should the actions and decisions necessary to proceed be completed, negotiations consummated, or work progresses faster than anticipated. No expenditure from this fund may be made without specific Board of Directors' approval.

2) An amount appropriated for the sole purpose of providing replacement and/or extraordinary repair of designated assets. Each year contributions are made to this fund so that monies will be available to replace these assets at the end of their useful life.

3) An amount appropriated to meet unforeseen expenditure requirements.

4) An amount to meet cash flow requirements before the proceeds from taxes or other revenue sources become available or for emergency expenditures. This is a true reserve and not an appropriation.

DISTRICT TAX RATES

	1971-72	1972-73	1973-74	1974-75	Proposed 1975-76	Final 1975-76
Flood Control Zones						
Northwest	.180	.180	.181	.178	.153	.153
North Central	.180	.180	.207	.179	.153	.153
Central	.170	.170	.170	.170	.140	.140
East-1	.230	.230	.230	.230	.230	.230
East-2	.180	.180	.180	.180	.174	.174
South	.190	.190	.190	.195	.195	.195
Water Utility Enterprise						
Water Fund	.067	.069	.069	.070	.070	.070
W-1	.017					
W-3 (land only)	.370	.370	.370	.370	.370	.370
R-1	.448					
CSCVWCD	.025	.021	.020	.018	.017	.018
W-4		.017	.017	.018	.018	.018
District Administration	.020	.020	.020	.021	.021	.021

STATUS OF BONDED INDEBTEDNESS

	Total Amount Authorized and Sold	Date of Issue	Interest Range	Outstanding as of 6/30/75	1975-76 Redemption Principal	Interest	Total
Northwest Zone	$						
Series A	2,625,000	1/1/57	3.50 to 5.00%	1,325,000	100,000	44,861	144,861
Series B	2,304,000	7/1/58	1.50 to 5.00%	1,174,000	80,000	35,887	115,887
	4,929,000			2,499,000	180,000	80,748	260,748
North Central Zone							
Series A	4,000,000	1/1/64	.05 to 5.00%	3,090,000	110,000	103,598	213,598
Series B	5,000,000	7/1/65	.10 to 5.00%	3,975,000	140,000	132,812	272,812
Series C	3,750,000	8/1/73	.05 to 7.00%	3,700,000	55,000	217,262	272,262
	12,750,000			10,765,000	305,000	453,672	758,672
Water Utility							
Series A	15,500,000	1/1/64	3.60 to 5.00%	11,950,000		360,449	360,449
Series B	14,200,000	6/1/66	.05 to 5.00%	12,900,000		453,584	453,584
Series C	3,500,000	8/1/68	4.60 to 5.00%	3,280,000		139,229	139,229
Series D	8,850,000	3/1/72	2.50 to 7.00%	8,645,000	75,000	482,621	557,621
	42,050,000			36,775,000	75,000	1,435,883	1,510,883
1972 Refunding	5,815,000	6/1/72	4.75%	4,980,000	540,000	240,202	780,202
SCVWCD							
5th Issue	850,000	7/1/54	1.75 to 4.25%	102,000	34,000	2,386	36,386
6th Issue	600,000	1/1/53	1.75 to 4.25%	72,000	24,000	1,684	25,684
7th Issue	3,000,000	7/1/57	3.25 to 5.00%	960,000	120,000	34,135	154,135
	4,450,000			1,134,000	178,000	38,205	216,205
Central SCVWCD	72,725	7/1/54	3.00%	12,725	3,000	346	3,346
Combined Total	$ 70,066,725			56,165,725	1,281,000	2,249,056	3,530,056

FLOOD CONTROL ZONES

NORTHWEST

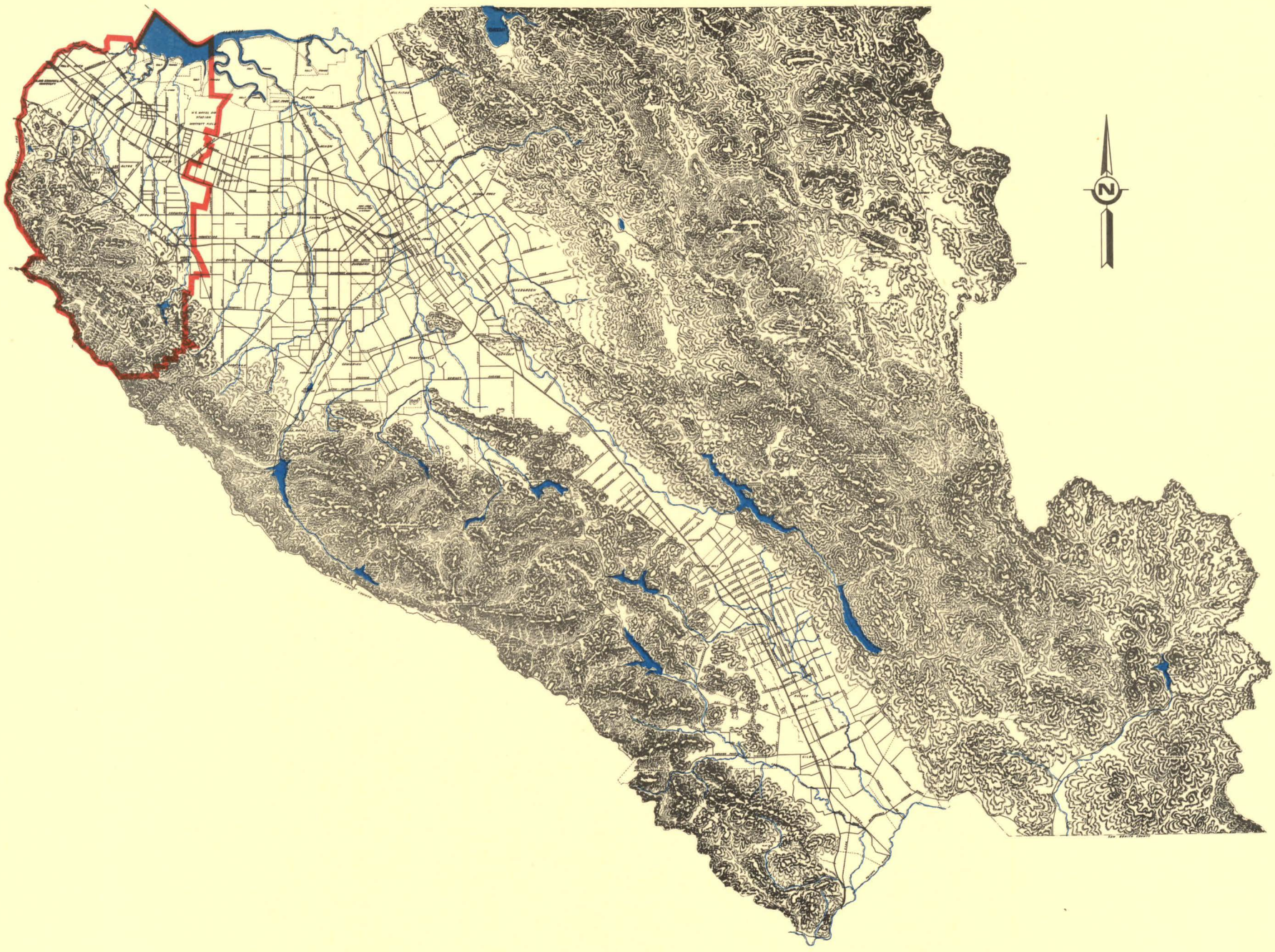
NORTH CENTRAL

CENTRAL

EAST - 1

EAST - 2

SOUTH



NORTHWEST ZONE

REVENUE SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Cash Beginning of Year	$2,111,773	2,745,788	2,305,750	2,539,661	2,539,661
Revenue Sources					
Property Taxes	1,396,919	1,503,472	1,600,457	1,617,331	1,602,584
Interest	105,564	206,915	170,000	181,000	181,000
Agreements and Advances	1,800	25,380	78,600	75,518	75,518
Other	833	85			
Total Revenue Sources	1,505,116	1,735,852	1,849,057	1,873,849	1,859,102
Total Cash Available	$3,616,889	4,481,640	4,154,807	4,413,510	4,398,763

OUTLAY SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Total Program Outlay	$ 619,043	1,122,164	1,860,207	2,866,448	2,866,448
Debt Service	252,058	247,008	266,614	260,748	260,748
Total Expenditures	871,101	1,369,172	2,126,821	3,127,196	3,127,196
Reserves and Contingency Approp.	2,745,788	3,112,468	2,027,986	1,286,314	1,271,567
Total	$3,616,889	4,481,640	4,154,807	4,413,510	4,398,763

BACKGROUND INFORMATION

The Northwest Zone is defined by geographic boundaries encompassing the tributaries and watersheds of San Francisquito Creek, Matadero Creek, Barron Creek, Adobe Creek, Stevens Creek and Permanente Creek. Also included in this zone is Stevens Creek Reservoir. The geographic area includes the Cities of Palo Alto, Los Altos, Los Altos Hills and Mountain View and portions of Cupertino and Sunnyvale.

The Northwest Zone is financed by revenue generated from a secured tax rate, unsecured taxes and interest income obtained through the short-term investment of excess funds. A secured tax rate of $.178 was levied in fiscal year 1974-75. A tax rate of $.153 is anticipated for fiscal year 1975-76.

SUMMARY BY PROGRAM

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration	$ 111,251	90,055	136,731	177,414	177,414
Planning	69,071	4,629	188,470	171,190	171,190
Construction	260,980	745,567	1,152,753	2,206,787	2,206,787
Maintenance	177,741	281,913	382,253	311,057	311,057
Total	$ 619,043	1,122,164	1,860,207	2,866,448	2,866,448

Administration Program

This program includes Ordinance Administration, Insurance and Administrative Projects. It also provides payment to the Water Utility for flood control benefits derived from the use of Stevens Creek Reservoir. This program shows an increase over the preceding year due to increased activity in Ordinance Administration and the inclusion of $33,000 in Ordinance Administration to conduct mitigation studies to evaluate the downstream flooding effect of upstream development.

Planning Program

Funds budgeted in this program are to provide for various planning studies, the preparation of hearing plans and environmental impact reports. The budgeted amount of $171,190 reflects a 9 percent decrease compared to the amount requested for fiscal year 1974-75. Projects which are of significant cost nature are:

Adobe Creek $49,427

This project is intended to evaluate community desired changes in old hearing plans and the production of the required environmental impact report. The project also includes the predesign phase to upgrade the capacity of the existing channel and culverts to the one percent flood capacity in the Cities of Palo Alto and Mountain View from El Camino Real to just downstream of Louis Road.

Permanente Diversion Channel $24,019

This project consists of predesign effort to determine the extent of flooding, evaluation of alternative plans of flood and erosion protection, and an environmental impact assessment which are necessary to meet the current design flood criteria.

Permanente Creek $49,482

This is the second year of a three-year study. The project will continue the evaluation of alternative plans to provide flood control and erosion protection and completion of an environmental impact report on the present channel between Portland Avenue and Permanente Diversion Channel. This portion of the channel is the transition reach into the diversion and must be studied as part of the diversion.

Stevens Creek $39,633

This project is a continuation of the planning study on the reach from Central Avenue in Mountain View to Route 280 crossing and the beginning of the planning study from Central Avenue downstream to the Crittenden Farm Bridge.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement to the life or value of current physical assets. The budgeted amount of $2,206,787 includes the following significant projects:

Permanente Creek $133,944

This project consists of raising and strenghtening the levees from the Shoreline Park to Bayshore Freeway. Subsidence and consolidation of the existing levee system has reduced the level of flood protection provided to the surrounding area.

Stevens Creek $1,509,251

This project provides for the purchase of property subject to potential bank failure and flooding, and for the construction of an additional culvert under Highway 280. This project also includes funds for the continuation of acquisition of the required right of way to raise levees along Stevens Creek from San Francisco Bay to the Crittenden Farm Bridge.

Palo Alto Flood Basin $559,560

This project provides for the continuing construction of levees along Matadero Creek and along the Bayshore Freeway frontage road to complete a levee system around the Palo Alto Flood Basin.

Potential Construction $365,000

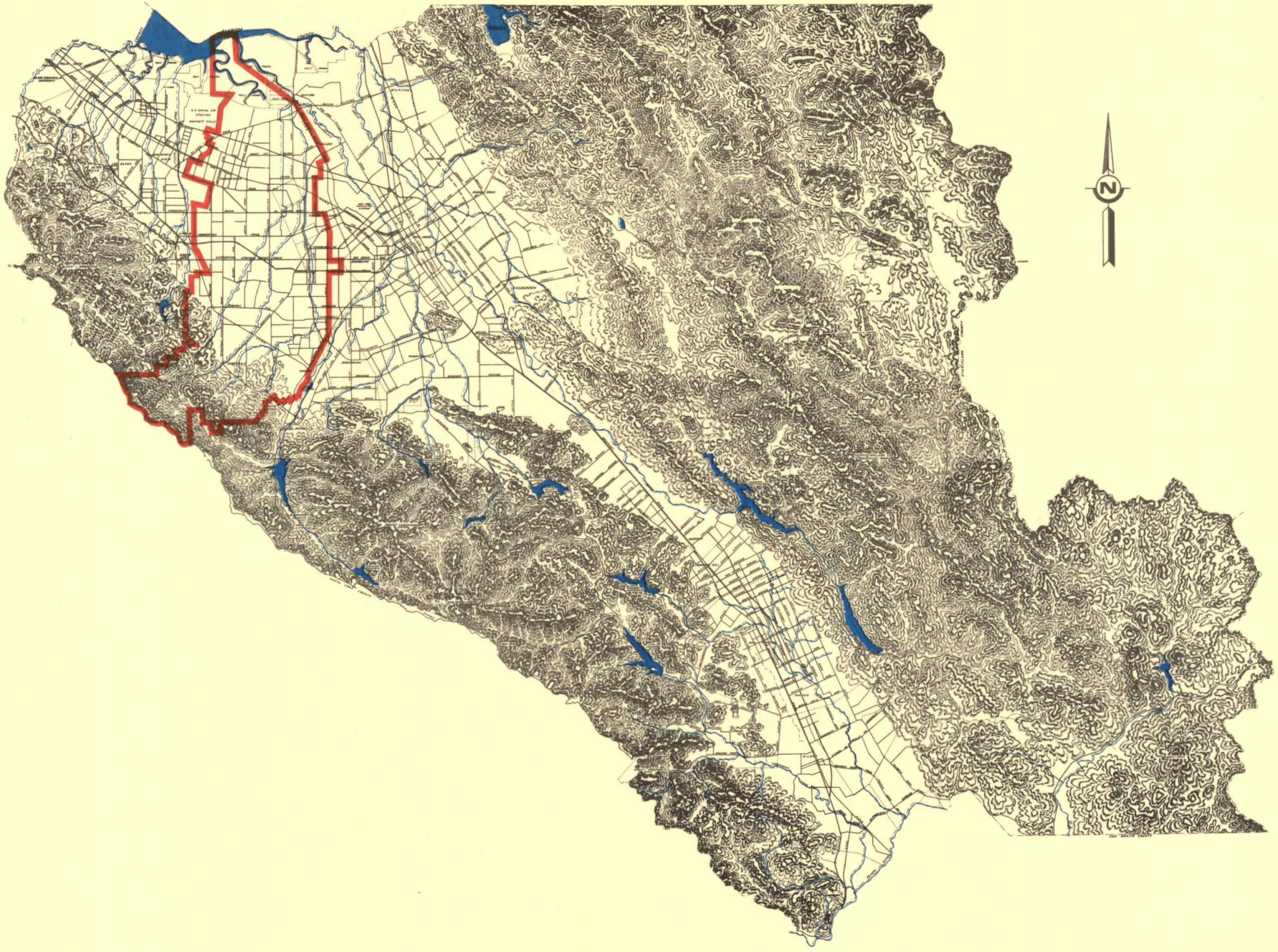
Potential construction appropriations are provided for possible additional construction work on Permanente Creek ($65,000). Another $300,000 is provided for the potential purchase of homes on Stevens Creek.

Maintenance Program

Funds budgeted in this project provide normal maintenance requirements within the Cost Center. In addition, funds to provide for restoration of the existing levees near the bay along Stevens Creek, San Francisquito Creek and Permanente Creek ($100,000) are included in the budgeted amount. The total amount budgeted in this program reflects a 14 percent decrease compared to the preceding year.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM				Project Totals
	Administration	Planning	Construction	Maintenance	
Ordinance Administration	$ 118,638				118,638
Insurance	15,589				15,589
Administrative Projects	41,892				41,892
Stevens Creek Dam & Reservoir	1,295				1,295
Bayfront Levee Study		1,085			1,085
Adobe Creek		49,427	2,016		51,443
Barron Creek		4,240	2,016		6,256
Matadero Creek		3,304			3,304
Permanente Diversion Channel		24,019			24,019
Permanente Creek		49,482	133,944		183,426
Stevens Creek		39,633	1,509,251		1,548,884
Palo Alto Flood Basin			559,560		559,560
Northwest Zone Maintenance				311,057	311,057
Total	$ 177,414	171,190	2,206,787	311,057	2,866,448



NORTH CENTRAL ZONE

REVENUE SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Cash Beginning of Year	$2,984,778	3,336,422	5,291,402	4,881,497	4,881,497
Revenue Sources					
Property Taxes	1,789,692	2,208,770	2,117,345	2,171,431	2,148,918
Interest	139,798	424,815	385,000	324,000	324,000
Agreements and Advances		1,250	33,200		
Other	276	3,752,016			
Total Revenue Sources	1,929,766	6,386,851	2,535,545	2,495,431	2,472,918
Total Cash Available	$4,914,544	9,723,273	7,826,947	7,376,928	7,354,415

OUTLAY SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Total Program Outlay	$1,081,059	1,603,691	4,355,042	5,110,367	5,110,367
Debt Service	497,063	490,672	875,971	758,672	758,672
Total Expenditures	1,578,122	2,094,363	5,231,013	5,869,039	5,869,039
Reserves and Contingency Approp.	3,336,422	7,628,910	2,595,934	1,507,889	1,485,376
Total	$4,914,544	9,723,273	7,826,947	7,376,928	7,354,415

BACKGROUND INFORMATION

The North Central Zone is defined by geographic boundaries encompassing the tributaries and watersheds of the Guadalupe Slough, Sunnyvale West Outfall, Sunnyvale East Outfall, Calabazas Creek, San Tomas Aquino Creek and Saratoga Creek. The geographic area includes the City of Saratoga and portions of the Cities of Sunnyvale, Santa Clara, Campbell, Cupertino, Monte Sereno, Los Gatos and San Jose. The North Central Zone is financed by revenue generated from

a secured tax rate, unsecured taxes and interest income obtained through the short-term investment of excess funds. A secured tax rate of $.179 was levied in fiscal year 1974-75. A rate of $.153 for fiscal year 1975-76 is anticipated.

SUMMARY BY PROGRAM

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration	$ 173,862	145,582	174,037	221,474	221,474
Planning	6,142	49,575	137,582	150,555	150,555
Construction	637,255	985,514	3,586,092	4,213,467	4,213,467
Maintenance	263,800	423,020	457,331	524,871	524,871
Total	$1,081,059	1,603,691	4,355,042	5,110,367	5,110,367

Administration Program

This program includes Ordinance Administration, Insurance and Administrative Projects. This program reflects a $47,437 increase compared to the amount budgeted in 1974-75. This increase is due to an increase in Ordinance Administration activities and inclusion of a $24,000 amount in the Ordinance Administration Project to conduct mitigation studies to evaluate the downstream flooding effects of upstream development.

Planning Program

Funds budgeted in this program provide for various planning studies, for the preparation of hearing plans and environmental impact reports, and certain special studies. The budgeted amount of $150,555 reflects a 9 percent increase compared to the amount requested for fiscal year 1974-75. Projects which are of a significant cost nature are:

Calabazas Creek $81,138

This project consists of a study of flood and erosion prevention measures on the reach from Lawrence Expressway to Miller Avenue and between Blaney Avenue and Wardell Road. The project consists of environmental assessment and hearing reports which will result in a planning report and environmental impact reports.

San Tomas Aquino Creek $33,389

This project consists of a predesign study of flooding and erosion problems on San Tomas Aquino Creek between Pollard Road in Los Gatos and Bainter Avenue in Saratoga. The study will determine what improvements are feasible and which alternatives meet with local residents' desires.

Saratoga Creek $34,943

This project is a planning study of alternative solutions to the flooding and erosion problems on Saratoga Creek between Bollinger Road in San Jose and Fourth Street in Saratoga. Also included are changes to the hearing plans and envrionmental impact report concerning the reach from San Tomas Aquino Creek confluence to Stevens Creek Boulevard.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvements to the life or value of current physical assets. The budgeted amount of $4,213,467 includes the following significant projects:

Calabazas Creek $3,620,177

This project includes various channel improvements from Calabazas Basin to Stevens Creek Boulevard. The primary element of this project consists of constructing a trapezoidal concrete lined channel from El Camino Real to Bayshore Freeway and replacing or

enlarging crossings at Central Expressway, Kifer Road, Southern Pacific Railroad, Cabrillo Avenue, Bowers Plaza and Monroe Street. This entire section of the project will be landscaped following the completion of construction. Also included is the enlarging of the capacity of the box culvert under Bayshore Freeway by adding a third cell to the existing culvert and the enlarging of the existing creek channel from the Calabazas Basin to the Bayshore Freeway. The reach of creek from Route 280 Freeway to Stevens Creek Boulevard will also be improved in conjunction with construction of the Vallco Park commercial and industrial subdivision.

San Tomas Aquino Creek $216,804

This project provides for the design and preparation to reconstruct the levees and to enlarge the channel from the Calabazas Creek confluence to the Bayshore Freeway. Also included is a small landscaping project on the reach from Rincon Avenue to the Wildcat Creek confluence.

Saratoga Creek $193,900

This project provides for design, right of way acquisition and maintenance oriented construction on the reach which extends from the San Tomas Aquino Creek confluence near Monroe Avenue upstream to Stevens Creek Boulevard. This reach of Saratoga Creek has extensive erosion problems as well as flooding problems.

Sunnyvale East Outfall $182,120

This project is to provide for the design of a project to raise and strengthen the levees on the reach from the Calabazas Basin to Caribbean Avenue. Also included is the raising and strengthening of the existing levees on a reach of the channel adjacent to Casa de Amigos Mobile Home Park at Tasman Drive.

Potential Construction $762,970

Potential construction appropriations are provided for possible land acquisition on Calabazas Creek ($150,000), construction on Saratoga Creek ($350,000) and $262,970 from prior sale of bonds which will be used for specified bond projects.

Maintenance Program

Funds budgeted in this program provide for normal maintenance requirements within the Cost Center. This project shows a $67,540 increase compared to the preceding year. This increase reflects normal inflationary figures. Also included are funds to provide for minimal landscaping at selected District facilities.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM				Project Totals
	Administration	Planning	Construction	Maintenance	
Ordinance Administration	$ 160,499				160,499
Insurance	19,831				19,831
Administrative Projects	41,144				41,144
Bayfront Levee Study		1,085			1,085
Calabazas Creek		81,138	3,620,177		3,701,315
San Tomas Aquino Creek		33,389	216,804		250,193
Saratoga Creek		34,943	193,900		228,843
Rodeo Creek			466		466
Sunnyvale East Outfall			182,120		182,120
North Central Zone Maintenance				524,871	524,871
Total	$ 221,474	150,555	4,213,467	524,871	5,110,367

CENTRAL ZONE

REVENUE SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Cash Beginning of Year	$5,966,885	7,113,568	7,366,698	9,023,145	9,023,145
Revenue Sources					
Property Taxes	1,900,914	2,034,243	2,190,598	2,151,819	2,146,541
Interest	334,346	522,054	480,000	495,000	495,000
Agreements and Advances	4,901	22,418			
Other	2,639	9,606			
Total Revenue Sources	2,242,800	2,588,321	2,670,598	2,646,819	2,641,541
Total Cash Available	$8,209,685	9,701,889	10,037,296	11,669,964	11,664,686

OUTLAY SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Total Program Outlay	$1,096,117	2,021,219	3,869,095	4,032,806	4,032,806
Debt Service					
Total Expenditures	1,096,117	2,021,219	3,869,095	4,032,806	4,032,806
Reserves and Contingency Approp.	7,113,568	7,680,670	6,168,201	7,637,158	7,631,880
Total	$8,209,685	9,701,889	10,037,296	11,669,964	11,664,686

BACKGROUND INFORMATION

The Central Zone is defined by geographic boundaries encompassing the tributaries and watersheds of the Guadalupe River. The major tributaries are Los Gatos Creek, Canoas Creek, Ross Creek, Guadalupe Creek and Alamitos Creek. Also included in this zone are Calero, Almaden, Guadalupe, Lexington and Vasona Reservoirs. The geographic area includes portions of the

Cities of Santa Clara, San Jose, Campbell, Monte Sereno and Los Gatos. The Central Zone is financed by revenue generated from a secured tax rate, unsecured taxes and interest income obtained through short-term investments. A secured tax rate of $.170 was levied in fiscal year 1974-75. A rate of $.140 is anticipated for fiscal year 1975-76.

SUMMARY BY PROGRAM

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration	$ 149,277	153,934	177,356	255,768	255,768
Planning	8,622	27,882	305,895	264,136	264,136
Construction	748,732	1,633,007	3,140,577	3,245,763	3,245,763
Maintenance	189,486	206,396	245,267	267,139	267,139
Total	$1,096,117	2,021,219	3,869,095	4,032,806	4,032,806

Administration Program

This program includes Ordinance Administration, Insurance and Administrative Projects. It also provides payment to the Water Utility for flood control benefits derived from the use of reservoirs in the zone. Increases of $78,412 in this program are due primarily to increased activity in the Ordinance Administration Project. These increases include an anticipated higher volume of permit requests and the inclusion of $35,000 to conduct mitigation studies to evaluate the downstream flooding effects of upstream development.

Planning Program

Funds budgeted in this program provide for all planning studies, preparation of hearing plans and environmental impact reports. The budgeted amount of $264,136 reflects a 14 percent

decrease compared to the amounts requested for fiscal year 1974-75. Planning projects which are of a significant cost nature are:

Guadalupe River, Corps of Engineers Study $21,438

This project provides District support for the Corps of Engineers Study of Guadalupe River and Adjacent Streams. This study will review alternative flood protection projects on the Guadalupe River and Coyote Creek. The total cost of the study of $42,884 is shared equally between the East and Central Zone because of the common floodplain.

Guadalupe River $101,928

This project is a study of the reach of Guadalupe River between Montague Expressway and Branham Lane. The project provides for the preparation of designated floodway maps, for coordination with the City of San Jose on the Park of the Guadalupe and the airport expansion studies. It will be integrated with the work of the Corps of Engineers on their Guadalupe River Basin Study. This is the second year of a three-year study.

Los Gatos Creek $133,075

This project is located between San Carlos Street and Lexington Dam and consists of two segments. The first segment is based on the Corps of Engineers' findings regarding Los Gatos Creek. If the Corps of Engineers finds Los Gatos Creek not to be a federal project, a predesign study and an environmental impact report will be started covering the reach from San Carlos Street to Highway 280. This reach currently does not have adequate capacity to contain the design flood. Some sections of this reach also have minor erosion problems. The second segment of the project is located between Highway 280 and Lexington Dam. This project provides for a predesign study and an environmental assessment to determine flood potential and project desirability. A community oriented project will be used if feasible.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the

substantial improvement to the life or value of current physical assets. The budgeted amount of $3,245,763 includes the following significant projects:

Alamitos Creek $130,837

This project will consist of final design, right of way acquisition and construction on the reach of Alamitos Creek from the Guadalupe River confluence to Golf Creek. A planning study is scheduled for completion in fiscal year 1974-75. The proposed construction of the downstream reach of Alamitos Creek will be the first step in implementing the recommendations of the planning study.

Canoas Creek $123,668

This project will provide a concrete lined channel bottom to facilitate channel bottom maintenance problems and bank erosion from Almaden Expressway to Nightingale Drive.

Calero Creek $15,294

This project extends from the confluence of Calero Creek with Alamitos Creek to McKean Road and is part of the Alamitos Creek Watershed planning study. Actual construction on this reach will be done in conjunction with a proposed urban development. The budgeted amount provides only for studies of advanced right of way acquisition if requested by property owners.

Guadalupe River $2,605,960

This project includes the continuation of a levee raising project started in fiscal year 1974-75 on the reach of the Guadalupe River from Gold Street to Trimble Road. The construction of flood control measures started in 1974-75 will be completed on the reach from Blossom Hill Road to the Alamitos Creek confluence. Also included is the completion of the landscaping of the reach which extends from Ironwood Drive to Old Almaden Road. The landscaping work will be coordinated with the County's landscaping of Almaden Expressway. The District will also continue to assist the City of San Jose with the design of the river element of the Park of the Guadalupe located on the reach between Park Avenue and State Route 280.

Guadalupe Creek $10,293

This project is for the completion of right of way acquisition of the reach from Meridian Avenue to Camden Avenue. This is a cooperative effort between the City of San Jose and the District.

Los Gatos Creek $299,610

This is a landscaping project located on Los Gatos Creek between Campbell Avenue and Kirk Dam.

Randol Creek $51,070

This is a landscaping project on the recently completed channel between Bret Harte Drive and Viewpoint Lane.

Potential Construction $2,925,000

Potential construction appropriations are provided for acquisition of land and construction on the reach of Alamitos Creek from the confluence of Guadalupe River to Golf Creek ($850,000), potential land acquisition on Calero Creek ($50,000), contributions to the City of San Jose for work in the Park of the Guadalupe project ($200,000), construction on Los Gatos Creek from the Guadalupe confluence to San Carlos Street if the Corps of Engineers' findings on the Guadalupe Basin Study indicate it is proper to proceed ($1,600,000), acquisition of right of way on Guadalupe Creek from Meridian Avenue to Camden Avenue ($200,000), and for advanced right of way acquisition on Santa Teresa Creek between the Calero Creek confluence and the foothills south of San Vicente Avenue ($25,000).

Maintenance Program

Funds budgeted in this program provide for normal maintenance requirements within the Cost Center. The budgeted amount shows an increase of $21,872 compared to the previous year. No special maintenance projects are anticipated.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM: Administration	Planning	Construction	Maintenance	Project Totals
Ordinance Administration	$ 180,390				180,390
Insurance	11,776				11,776
Administrative Projects	48,452				48,452
Almaden Dam & Reservoir	2,032				2,032
Calero Dam & Reservoir	2,295				2,295
Guadalupe Dam & Reservoir	1,401				1,401
Lexington Dam & Reservoir	7,956				7,956
Vasona Dam & Reservoir	1,466				1,466
Guadalupe River C. of E. Study		21,438			21,438
Bayfront Levees Study		1,085			1,085
Alamitos Creek		6,610	130,837		137,447
Canoas Creek			123,668		123,668
Calero Creek			15,294		15,294
Guadalupe River		101,928	2,605,960		2,707,888
Guadalupe Creek			10,293		10,293
Los Gatos Creek		133,075	299,610		432,685
Randol Creek			51,070		51,070
Santa Teresa Creek			9,031		9,031
Central Zone Maintenance				267,139	267,139
Total	$ 255,768	264,136	3,245,763	267,139	4,032,806

EAST 1 ZONE

REVENUE SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Cash Beginning of Year	$1,378,406	1,090,074	1,195,958	1,706,329	1,706,329
Revenue Sources					
Property Taxes	1,205,826	1,324,621	1,469,969	1,693,929	1,691,247
Interest	63,264	76,810	65,000	77,000	77,000
Agreements and Advances	91,648	37,149	145,478	49,496	49,496
Other	36,544	595			
Total Revenue Sources	1,397,282	1,439,175	1,680,447	1,820,425	1,817,743
Total Cash Available	$2,775,688	2,529,249	2,876,405	3,526,754	3,524,072

OUTLAY SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Total Program Outlay	$1,685,614	1,195,075	1,718,320	3,214,838	3,214,838
Debt Service					
Total Expenditures	1,685,614	1,195,075	1,718,320	3,214,838	3,214,838
Reserves and Contingency Approp.	1,090,074	1,334,174	1,158,085	311,916	309,234
Total	$2,775,688	2,529,249	2,876,405	3,526,754	3,524,072

BACKGROUND INFORMATION

The East Zone is defined by geographic boundaries encompassing the tributaries and watersheds of Coyote Creek. The major tributaries are Lower Penitencia Creek, Scott Creek, Berryessa Creek, Upper Penitencia Creek, Silver Creek, Thompson Creek, Fisher Creek, and Packwood Creek. Also included in this zone are Anderson and Coyote Reservoirs. The geographic area includes the City of Milpitas and portions of the Cities of San Jose and Morgan Hill.

The East Zone is financed by revenue generated from a secured tax rate, unsecured taxes and interest income obtained through short-term investments. A secured tax rate of $.230 was levied in fiscal year 1974-75. A rate of $.230 is anticipated for fiscal year 1975-76.

SUMMARY BY PROGRAM

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration	$ 637,679	599,765	211,474	434,247	434,247
Planning	86,109	214,881	213,661	146,915	146,915
Construction	730,169	100,626	995,804	2,294,150	2,294,150
Maintenance	231,657	279,803	297,381	339,526	339,526
Total	$1,685,614	1,195,075	1,718,320	3,214,838	3,214,838

Administration Program

This program includes Ordinance Administration, Insurance and Administrative Projects. It also provides payment to the Water Utility for flood control benefits derived from the use of reservoirs in the zone. This program shows a substantial increase in budgeted amounts from the preceding year of $222,773. The increase is due to increased activity in the Ordinance Administration Project both in the area of anticipated increased requests for permits and for mitigation studies involving the downstream flooding effects of upstream development.

Planning Program

Funds budgeted in this program provide for all planning studies, preparation of hearing plans and environmental impact reports. The budgeted amount of $146,915 reflects a 33 percent

decrease compared to the amount requested for fiscal year 1974-75. Planning projects which are of a significant cost nature are:

Guadalupe River, Corps of Engineers Study $21,446

This project provides District support for the Corps of Engineers Study of the Guadalupe River and Adjacent Streams. The study will review alternative flood protection projects on the Guadalupe River and Coyote Creek. The total cost of the study of $42,884 is shared equally between the East and Central Zones because of the common floodplain.

Silver Creek - Lower $94,172

This project is for the continued planning of a flood protection project from Coyote Creek to the proposed Lake Cunningham. The work will include staff liaison with neighborhood groups, city staff personnel and ecology groups for the development and selection of design alternatives. This project will result in the development of a master plan for Lower Silver Creek.

Penitencia Creek - Upper $13,989

This project provides for the first year of a two-year project to develop a planning report and an environmental impact report on Upper Penitencia Creek between its confluence with Coyote Creek near Berryessa Road and the foothills.

Thompson Creek $16,216

This project provides for completion of a planning report and an environmental impact report on Thompson Creek from its confluence with Silver Creek to the headwaters.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement to the life or value of current physical assets. The budgeted amount of $2,294,150 includes the following significant projects:

Berryessa Creek $876,582

This project is for the completion of design of new Southern Pacific and Western Pacific Railroad bridges, the construction of confluence structures for a tributary creek, and the construction of an earth trapezoidal channel on the reach from the confluence with Lower Penitencia Creek to Calaveras Boulevard. This project is located in the City of Milpitas.

Silver Creek - Lower $1,288,667

This project provides for the design and construction of an interim channel improvement between Capitol Expressway and Cunningham Avenue. It includes the replacement of bridges at Murtha Drive, Ocala Avenue and Cunningham Avenue. Another project includes the construction or modification of bridges at Wooster Avenue, Bayshore Freeway, King Road-McKee Road intersection, Western Pacific Railroad and design and right of way acquisition for the ultimate channel on the reach of Silver Creek between Coyote Creek and Alum Rock Avenue. Funds are also included for the design and construction of the Kammerer Avenue crossing of Lower Silver Creek.

Silver Creek - Upper $80,276

This project provides for completion of right of way acquisition on Upper Silver Creek. Construction of this project was completed in 1974-75.

Norwood Creek $48,625

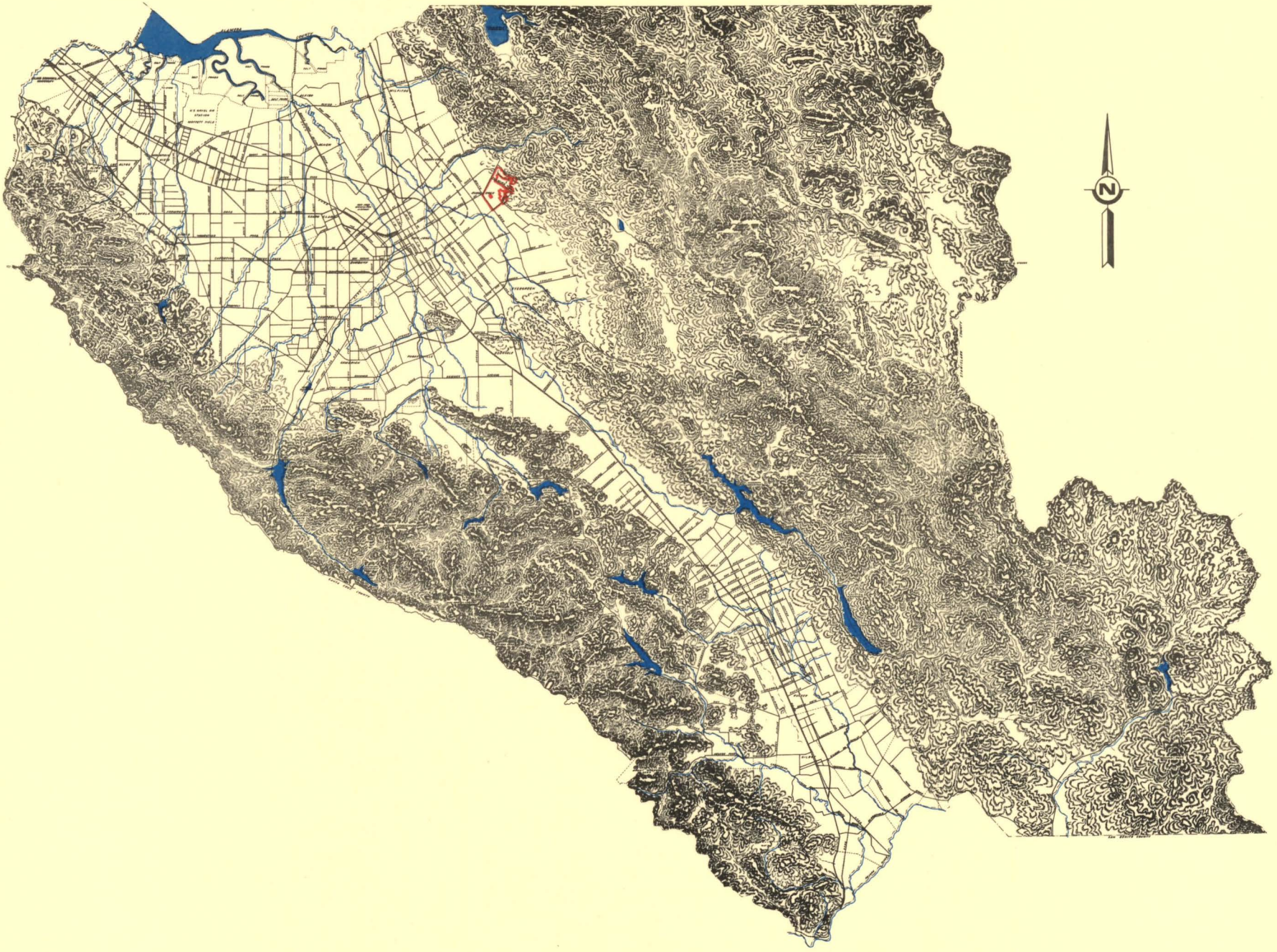
This project is to provide District support for developer-funded construction and improvements of Norwood Creek.

Maintenance Program

Funds budgeted in this program provide the normal maintenance requirements within the Cost Center. The budgeted amount shows an increase of $42,145 compared to the previous year. No special maintenance projects are anticipated.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM				Project Totals
	Administration	Planning	Construction	Maintenance	
Ordinance Administration	$ 249,637				249,637
Insurance	13,474				13,474
Administrative Projects	51,101				51,101
Anderson Dam & Reservoir	18,360				18,360
Coyote Dam & Reservoir	1,675				1,675
Guadalupe River - C. of E. Study		21,446			21,446
Bayfront Levee Study		1,092			1,092
Silver Creek - Lower		94,172	1,288,667		1,382,839
Penitencia Creek - Upper		13,989			13,989
Thompson Creek		16,216			16,216
Berryessa Creek			876,582		876,582
Silver Creek - Upper			80,276		80,276
Norwood Creek			48,625		48,625
Loans Payable	100,000				100,000
East-1 Zone Maintenance				339,526	339,526
Total	$ 434,247	146,915	2,294,150	339,526	3,214,838



EAST 2 ZONE

REVENUE SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Cash Beginning of Year	$ 1,550	2,695	304	693	693
Revenue Sources					
Property Taxes	19,054	20,503	22,195	23,712	23,662
Interest	628	107			
Agreements and Advances					
Other					
Total Revenue Sources	19,682	20,610	22,195	23,712	23,662
Total Cash Available	$ 21,232	23,305	22,499	24,405	24,355

OUTLAY SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Total Program Outlay	$ 18,537	23,000	22,499	24,405	24,355
Debt Service					
Total Expenditures	18,537	23,000	22,499	24,405	24,355
Reserves and Contingency Approp.	2,695	305			
Total	$ 21,232	23,305	22,499	24,405	24,355

BACKGROUND INFORMATION

The East-2 Zone is bordered on the northwest by Alum Rock Avenue, on the southwest by White Road and on the southeast by Story Road and extends on the northeast to Mount Hamilton Road. It encompasses a portion of the North Babb Creek drainage area. This zone was established to provide a taxation area to repay a District Cost Center loan used to construct special

drainage facilities. This zone will continue until such time as the loan has been repaid. The balance of the loan at the end of fiscal year 1975-76 is estimated to be $19,934. The total revenue will be applied to the repayment of a portion of the outstanding loan balance. A tax rate of $.180 was levied in fiscal year 1974-75. A tax rate of $.174 is anticipated for fiscal year 1975-76.

SOUTH ZONE

REVENUE SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Cash Beginning of Year	$ 224,341	78,516	41,812	144,046	144,046
Revenue Sources					
Property Taxes	206,446	225,198	249,162	291,074	290,851
Interest	5,392	9,192	5,000	5,000	5,000
Agreements and Advances	456,844	12,693	16,500		
Other	539	450,369			
Total Revenue Sources	669,221	697,452	270,662	296,074	295,851
Total Cash Available	$ 893,562	775,968	312,474	440,120	439,897

OUTLAY SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Total Program Outlay	$ 815,046	657,635	276,296	305,134	305,134
Debt Service					
Total Expenditures	815,046	657,635	276,296	305,134	305,134
Reserves and Contingency Approp.	78,516	118,333	36,178	134,986	134,763
Total	$ 893,562	775,968	312,474	440,120	439,897

BACKGROUND INFORMATION

The South Zone is defined by geographic boundaries encompassing the tributaries and watersheds of the Pajaro River in Santa Clara County. The major tributaries are Little Llagas Creek, Llagas Creek, West Branch of the Llagas Creek, Uvas-Carnadero Creek, Pescadero Creek, and Pacheco Creek. The zone includes the City of Gilroy and portions of the Cities of San Jose and Morgan Hill.

The South Zone is financed by revenue generated from a secured tax rate, unsecured taxes and interest income obtained through the short-term investments of excess funds and from advances from the District Fund. The outstanding loan balance as of the end of fiscal year 1975-76 is estimated to be $220,985. A secured tax rate of $.195 was levied in fiscal year 1974-75. A tax rate of $.195 for fiscal year 1975-76 is anticipated.

SUMMARY BY PROGRAM

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration	$ 86,690	113,536	150,569	135,451	135,451
Planning	15,450	13,212	20,418	21,773	21,773
Construction	648,834	482,688	49,236	59,692	59,692
Maintenance	64,072	48,199	56,073	88,218	88,218
Total	$ 815,046	657,635	276,296	305,134	305,134

Administration Program

This program includes Ordinance Administration, Insurance and Administrative Projects. The budgeted amount shows a $15,118 or 10 percent decrease compared to the preceding year.

Planning Program

Funds budgeted in this program provide for various planning studies, preparation of hearing plans and environmental impact reports. The major planning effort is in support of the Corps of Engineers' survey study of Pajaro River Basin, which includes the Uvas-Carnadero project. This survey study includes water supply as well as flood prevention work; therefore, its cost is shared equally between the Water Utility Source of Supply Cost Center and the South Zone.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement to the life or value of current physical assets. The budgeted amount of $59,692 is for the following significant project:

Public Law 566 (Upper) $59,692

This project provides for funds for non-reimbursable coordination work with State, Federal and local agencies relative to construction of the Upper Llagas Creek project. Also included are funds for the acquisition of land for fire prevention measures and payment of the District's share of construction of these measures. The District's responsibility in the area of fire prevention measures is for the acquisition of rights of way for the various construction works including fire trails, heliports and water tanks. This construction is necessary to aid fire prevention measures in the watershed to prevent erosion and downstream siltation.

Maintenance Program

Funds budgeted in this program provide for normal maintenance requirements within the Cost Center. No special maintenance projects are anticipated; however, the project shows a 57 percent increase in maintenance cost compared to the previous year. Last year's budget was totally inadequate for the work to be done and additional funds will be required in future years to adequately maintain District projects.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM				Project Totals
	Administration	Planning	Construction	Maintenance	
Ordinance Administration	$ 94,153				94,153
Insurance	8,852				8,852
Administrative Projects	32,446				32,446
Pajaro River C. of E. Study		13,293			13,293
Public Law 566 (Lower)		8,480			8,480
Public Law 566 (Upper)			59,692		59,692
South Zone Maintenance				88,218	88,218
Total	$ 135,451	21,773	59,692	88,218	305,134

WATER UTILITY

SOURCE OF SUPPLY

RAW WATER TRANSMISSION & DISTRIBUTION

WATER TREATMENT

TREATED WATER TRANSMISSION & DISTRIBUTION

ADMINISTRATION AND GENERAL

BACKGROUND INFORMATION

Accounting for the Water Utility is accomplished on an enterprise fund basis. Revenue is used to provide commercial type services to the public which are not usually available through private enterprise.

Water Utility Enterprise activities are partially financed by a Countywide ad valorem tax. This tax is levied to pay for recreational benefits derived from District reservoirs and to pay for the capital cost of water import facilities. This is deemed commensurate to the general benefits derived from having a supplemental supply of water available to the District. A portion of this tax is refunded by the District directly to the Cities of Palo Alto, Mountain View, Sunnyvale and Milpitas and to Stanford University and the Purissima Hills Water District because these purchasers import water from the City and County of San Francisco's Hetch Hetchy water supply.

The major source of water supply income is a charge levied on all groundwater extracted within Zone W-2 of the District and the sale of treated water. An estimated 14,500 acre-feet of groundwater for agricultural use and 130,000 acre-feet of groundwater for non-agricultural use is expected to be extracted from the groundwater basin in 1975-76. In addition, 50,700 acre-feet of scheduled treated water and 15,000 acre-feet of surplus treated water is anticipated to be sold to District water supply contractors. Other sources of revenue will result from the levying of ad valorem taxes in Zones W-3 and W-4 and from the sale of approximately 4,500 acre-feet of surface delivered untreated water in Zone W-2. An estimated additional 750 acre-feet of untreated surface delivered water will be used in Zone W-3.

The following is a brief description of the various water zones:

Zone W-2 This zone encompasses the Santa Clara Valley Groundwater Basin and includes those groundwater producing facilities that benefit from the recharge of the basin with local and imported water. Here, a charge is levied for groundwater extraction.

Zone W-3 This zone encompasses the land of water consumers whose source of water is derived from the Coyote and Llagas Groundwater Basins in the area of Metcalf Road on the north to just south of Morgan Hill. Here, financing is through a property tax on land only. Zones W-3.1, 3.2, and 3.3 are local areas within the W-3 zone in which groundwater extraction charges are levied on water exported from the area of Zone W-3.

Zone W-4 This zone contains all of Zone W-2 as well as the lands of water consumers outside Zone W-2 that use or otherwise benefit from locally conserved water and from the importation and distribution of water from the South Bay Aqueduct. Here, a property tax is levied to pay for the cost of water used to recover the accumulated overdraft, control land surface subsidence and sustain the emergency supply of water.

Due to the requirements of the uniform accounting practices adopted by the State, it is necessary to divide expenditures from the Water Utility Enterprise into various categories which constitute the cost centers. These cost centers are Source of Supply, Raw Water Transmission and Distribution, Water Treatment, Treated Water Transmission and Distribution, and Administration and General. Amounts budgeted within each cost center are shown in individual sections.

Potential construction appropriations of $5,000,000 are budgeted in the Raw Water Transmission and Distribution Cost Center and the Treated Water Transmission and Distribution Cost Center. This appropriation represents funds which may be expended if work progresses more rapidly than anticipated to provide an alternate source of water to the Rinconada Water Treatment Plant ($800,000) and for the construction of the Evergreen Reservoir which will serve as the terminal reservoir for the East Pipeline ($4,200,000).

WATER UTILITY ZONES

ZONE W3

ZONE W2

ZONE W4

COST CENTER EXPENDITURE SUMMARY

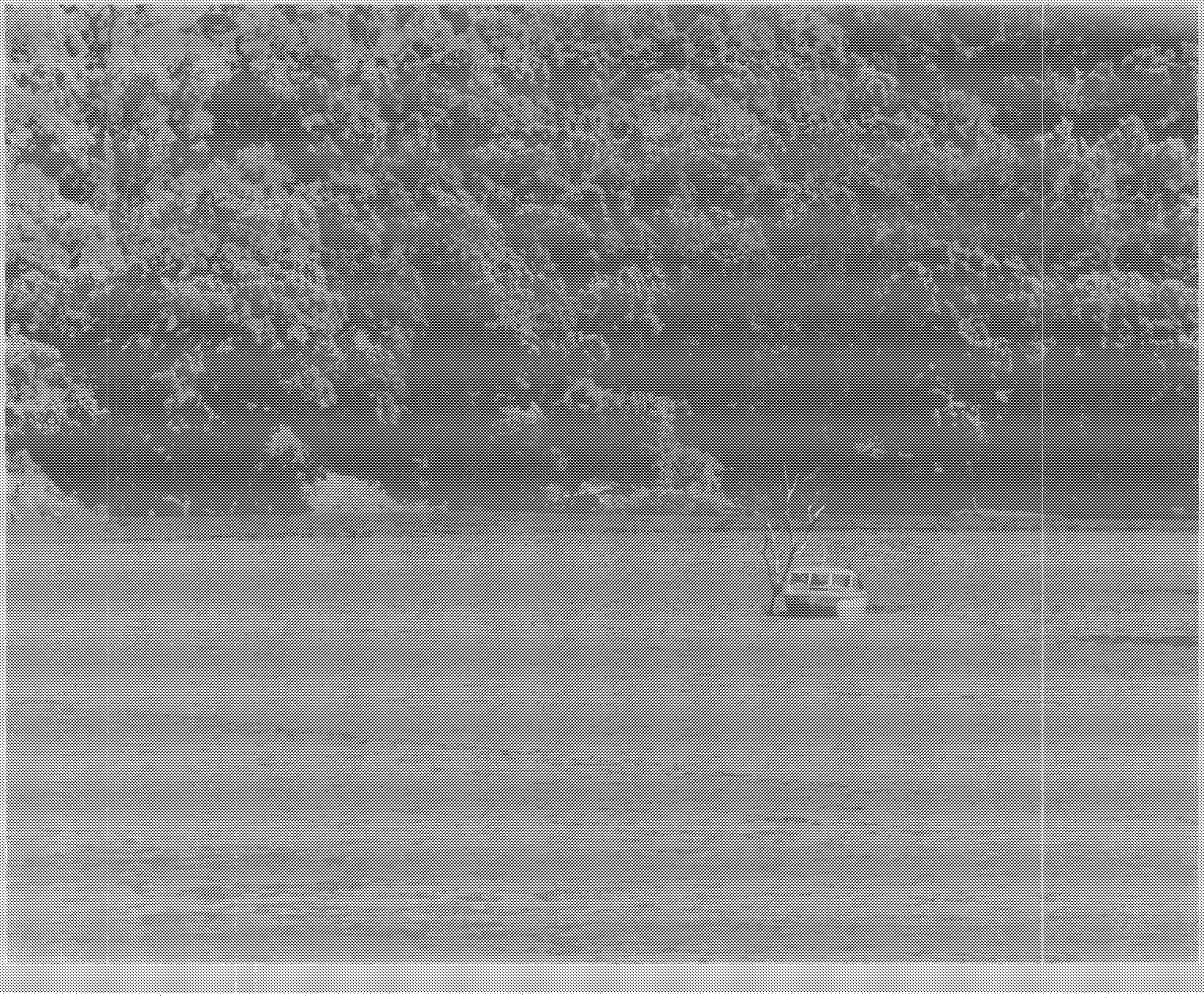
	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Source of Supply	$4,179,314	4,009,254	4,521,190	5,468,578	5,468,578
Raw Water T & D	1,255,136	1,619,927	1,853,490	2,487,728	2,487,728
Water Treatment	2,052,196	4,419,159	1,996,948	2,058,046	2,058,046
Treated Water T & D	863,772	2,793,790	356,352	574,875	574,875
Administration and General	504,892	472,518	765,097	821,281	821,281
Total	$8,855,310	13,314,648	9,493,077	11,410,508	11,410,508

PROGRAM EXPENDITURE SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration	$ 759,618	780,384	1,095,317	1,085,890	1,085,890
Planning	321,803	309,903	536,591	708,673	708,673
Construction	2,205,600	6,698,938	1,690,144	2,495,968	2,495,968
Maintenance	968,823	935,594	935,014	1,392,572	1,392,572
Operations	4,599,466	4,589,829	5,236,011	5,727,405	5,727,405
Total	$8,855,310	13,314,648	9,493,077	11,410,508	11,410,508

WATER RATE SUMMARY

	1972-73	1973-74	1974-75	1975-76
Groundwater				
Agricultural	$ 8.00	8.00	8.00	8.00
Non-Agricultural	30.00	30.00	30.00	30.00
Treated Water				
Contract (Scheduled)	65.00	65.00	65.00	65.00
Surplus	38.00	38.00	38.00	41.00
Untreated Water (Surface & Contract)				
Agricultural	8.00	8.00	8.00	8.00
Non-Agricultural	30.00	30.00	30.00	30.00
Water Master	4.00	4.00	4.00	4.00
Power (Evergreen System)	5.25	5.25	5.75	5.75
Minimum Charge	20.00	20.00	20.00	20.00
W-3 (Water Master Only)	4.00	4.00	4.00	4.00



SOURCE OF SUPPLY

BACKGROUND INFORMATION

The Source of Supply Cost Center is one of five cost centers which make up the Water Utility Enterprise. This Cost Center contains all expenditures relating to obtaining and producing a supply of water including all conservation and importation costs.

SUMMARY BY PROGRAM

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration	$ 451,381	529,588	691,725	618,092	618,092
Planning	70,018	99,660	139,934	239,149	239,149
Construction	19,291	1,235	182,460	607,645	607,645
Maintenance	271,348	48,595	104,952	272,658	272,658
Operations	3,367,276	3,330,176	3,402,119	3,731,034	3,731,034
Total	$4,179,314	4,009,254	4,521,190	5,468,578	5,468,578

Administration Program

This program includes Ordinance Administration, Replacement Fund, Insurance, Administrative Projects, In-County Credit, Water Rights, State Water Project, and the Federal Water Project. New projects include a Hetch Hetchy Water Project and the Water Conservation Project. The Hetch Hetchy Water Project ($4,347) provides for continued liaison with the City of San Francisco and local water contractors on the benefits of maintaining the availability of this supply to the District. The Water Conservation Project ($50,000) provides for dissemination of information to agriculture, industry, and the households on the benefits of and ways to conserve water. Budgeted amounts for fiscal year 1975-76 reflect a $73,633 decrease compared to the preceding year. This reduction is due to the completion of the environmental impact report included in the Federal Water Project.

Planning Program

Funds budgeted in this program provide for various planning studies, preparation of hearing plans, and environmental impact reports. Projects which are of significant costs are:

Federal Water Project $50,000

This project provides funds for consultants' fees to cover the estimated costs of finalizing the EIR on the In-County Distribution Master Plan.

Effects of Urbanization Study $20,881

This project is in support of the fourth year of a five-year study being conducted by the U. S. Geological Survey. The study will provide information on the effects of urbanization on water quality and quantity produced from a watershed. This information will be used in the analysis and evaluation of grading ordinances, channel designs, and water supplies as they relate to increased urbanization.

Saltwater Intrusion Study $55,766

This project is to determine the severity of saltwater intrusion from San Francisco Bay into the Santa Clara Valley Groundwater Basin and a review of alternative methods to reduce or eliminate this intrusion.

Pajaro River Corps of Engineers Study $13,300

This project is in support of the Corps of Engineers survey study of the Pajaro River Basin, which includes the Uvas-Carnadero Project. This continuing survey study includes water supply as well as flood prevention works; therefore, its costs are shared equally between this and the South Zone Cost Center.

Reservoir Landslide Investigation $55,448

This project is a continuation of the monitoring and study of potential landslides at District reservoirs. The project includes the possible installation of additional

instrumentation, consulting services, evaluation and risk analysis to determine the most potentially dangerous landslide areas, and to take the necessary remedial action.

SCVWD Water Reclamation Facility $34,754

This project provides for the planning, operation and maintenance of the SCVWD Water Reclamation Facility. Construction of this facility will be completed in fiscal year 1975-76. Full operation is planned beginning in fiscal year 1976-77. When fully operational, the District's share of the operating cost will be $184,000 per year. Nominal costs have been budgeted in fiscal year 1975-76.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement of the life or value of current physical assets. The budgeted amount of $607,645 includes the following significant projects:

SCVWD Water Reclamation Facility $420,259

This project provides for the construction of the SCVWD Water Reclamation Facility and well system and appurtenances. The total project is funded primarily by a Federal and State grant.

Control System - Water Reclamation Facility $69,555

This project provides for the instrumentation and control systems at the SCVWD Water Reclamation Facility. The project includes the design, installation, and start-up of the computer system and the design of the instrumentation for the well field and pipeline.

Anderson Dam and Reservoir $42,925

This project provides for the design and installation of a bypass valve around the downstream valve at Anderson Reservoir. The bypass valve will provide for the low flow

releases from Anderson Reservoir eliminating cavitation problems on the main control valve.

Coyote Dam and Reservoir $74,906

Coyote Reservoir and adjacent District-owned property is being developed by Santa Clara County for park and recreational use. To assure that all activities will be contained upon District property, the boundaries will be surveyed and monumented.

Maintenance Program

Funds budgeted in this program provide for normal maintenance requirements within the cost center. A special maintenance project is included in fiscal year 1975-76 to determine the dynamic seismic safety of Anderson, Coyote, Lexington and Vasona Dams. This study is required by the Division of Safety of Dams. Stevens Creek, Calero, Almaden and Guadalupe Dams have been designated by the Division of Safety of Dams as having first priority. The seismic safety study on these dams will be completed in 1974-75.

Operations Program

Funds budgeted in this program provide for normal inspection and operation of the District's dams and reservoirs and for the purchase of the necessary water from the State Water Project. Funds are included for the purchase of 88,000 acre-feet of scheduled water and 12,000 acre-feet of surplus water. This program also contains funds in the amount of $51,223 to maintain and operate and $11,865 to evaluate the Weather Modification Project.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM: Administration	Planning	Construction	Maintenance	Operations	Project Totals
Ordinance Administration	$ 28,362					28,362
Replacement Fund	11,973					11,973
Insurance	9,500					9,500
Administrative Projects	16,097					16,097
In-County Credit	435,900					435,900
Water Rights	15,282					15,282
State Water Project	10,347					10,347
Federal Water Project	36,284	50,000				86,284
Water Conservation Project	50,000					50,000
Hetch Hetchy Water Project	4,347					4,347
Effect of Urbanization Study		20,881				20,881
Saltwater Intrusion Study		55,766				55,766
Pajaro River C. of E. Study		13,300				13,300
Reservoir Landslide Inv.		55,448				55,448
SCVWD Wtr. Recl. Facility		34,754	420,259			455,013
Control Sys.-Water Recl. Facil.			69,555			69,555
Anderson Dam & Reservoir			42,925			42,925
Coyote Dam & Reservoir			74,906			74,906
Dams & Reservoirs - General		9,000		204,136		213,136
Source of Supply Maintenance				68,522		68,522
Weather Modification					63,088	63,088
Source of Supply-Operations					3,667,946	3,667,946
Total	$ 618,092	239,149	607,645	272,658	3,731,034	5,468,578

RAW WATER TRANSMISSION & DISTRIBUTION

BACKGROUND INFORMATION

The Raw Water Transmission and Distribution Cost Center is the second of five cost centers within the Water Utility Enterprise. This Cost Center contains all expenditures relating to the distribution of raw water. The distribution system consists of pipelines, canals and percolation ponds and includes the use of creek systems.

SUMMARY BY PROGRAM

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration	$ 97,221	85,545	79,301	96,152	96,152
Planning	1,146		16,681	35,536	35,536
Construction	246,326	498,725	919,757	1,224,273	1,224,273
Maintenance	437,267	629,729	422,179	672,067	672,067
Operations	473,176	405,928	415,572	459,700	459,700
Total	$1,255,136	1,619,927	1,853,490	2,487,728	2,487,728

Administration Program

This program includes Ordinance Administration, Replacement Fund, Insurance and Administrative Projects. The budgeted amount of $96,152 reflects an increase of $16,851 compared to the preceding year. This increase is due primarily to increased activity in the Ordinance Administration area and to a minor increase in Administrative Projects.

Planning Program

Funds budgeted in this program provide for various planning studies, preparation of hearing plans and environmental impact reports. The budgeted amount of $35,536 consists of the following project:

Raw Water Distribution - General $35,536

This project provides for a survey of both North and South County locations to determine locations of additional offstream percolation facilities. In addition, a continuing study of feasible sites that can be developed into productive percolation facilities on the west side of the valley is also included.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement to the life or value of current physical assets. The budgeted amount of $1,224,273 includes the following significant projects:

Vasona Pump Station $97,558

This project located at the Vasona Pump Station provides for the design of a system to supply an alternative source of water to the Rinconada Water Treatment Plant in the event of a failure of the major importation pipeline.

Control System - Raw Water $176,933

This project provides for the design, procurement and installation of the telemetry and control equipment for four raw water turnouts and a new master station. The existing master station is currently being operated at maximum capacity. Spare or additional units are unavailable to expand the existing system.

Coyote Canal Extension $167,715

This project provides for the completion of design and beginning of construction of safety overflow spillways to allow the conveyance of water from the canal during periods of canal blockage or high inflow from tributary drainage areas.

Coyote-Alamitos Canal $94,931

This project provides for the completion of the construction of safety spillways at various locations along the canal. This project was begun in fiscal year 1974-75.

Evergreen Distribution System $48,501

This project provides funds to retrace and remonument the District boundaries and to provide photogrammetric information for maintenance purposes. Due to the development taking place at various locations adjacent to portions of this system it is necessary to relocate and establish District boundaries. This project also provides for the completion of construction of a concrete blockhouse for the Evergreen Distribution Canal's main pump facility to protect it from vandalism.

Kirk Distribution System $130,822

This project provides for enclosing the Kirk Distribution System in a 36-inch pipe from just north of Camden Avenue to the McGlincey Percolation Ponds.

Penitencia Percolation System $65,250

This project provides for the construction of new percolation ponds on Upper Penitencia Creek on both sides of Freeway 680. The project also provides for the completion of construction of diversion dams and turnouts to deliver water to percolation ponds adjacent to Mabury Road at Overfelt Park and on Upper Penitencia Creek upstream of Piedmont Road.

McClellan Road Percolation Pond $331,985

This project provides for the construction of the percolation pond and installation of site landscaping.

Almaden-Calero Canal $110,578

This project provides for the construction and modification of emergency spillways, removing slide hazard material and rebuilding portions of the maintenance road.

Potential Construction $800,000

Potential construction appropriations are provided for the construction of an alternative source of water to the Rinconada Water Treatment Plant ($800,000).

Maintenance Program

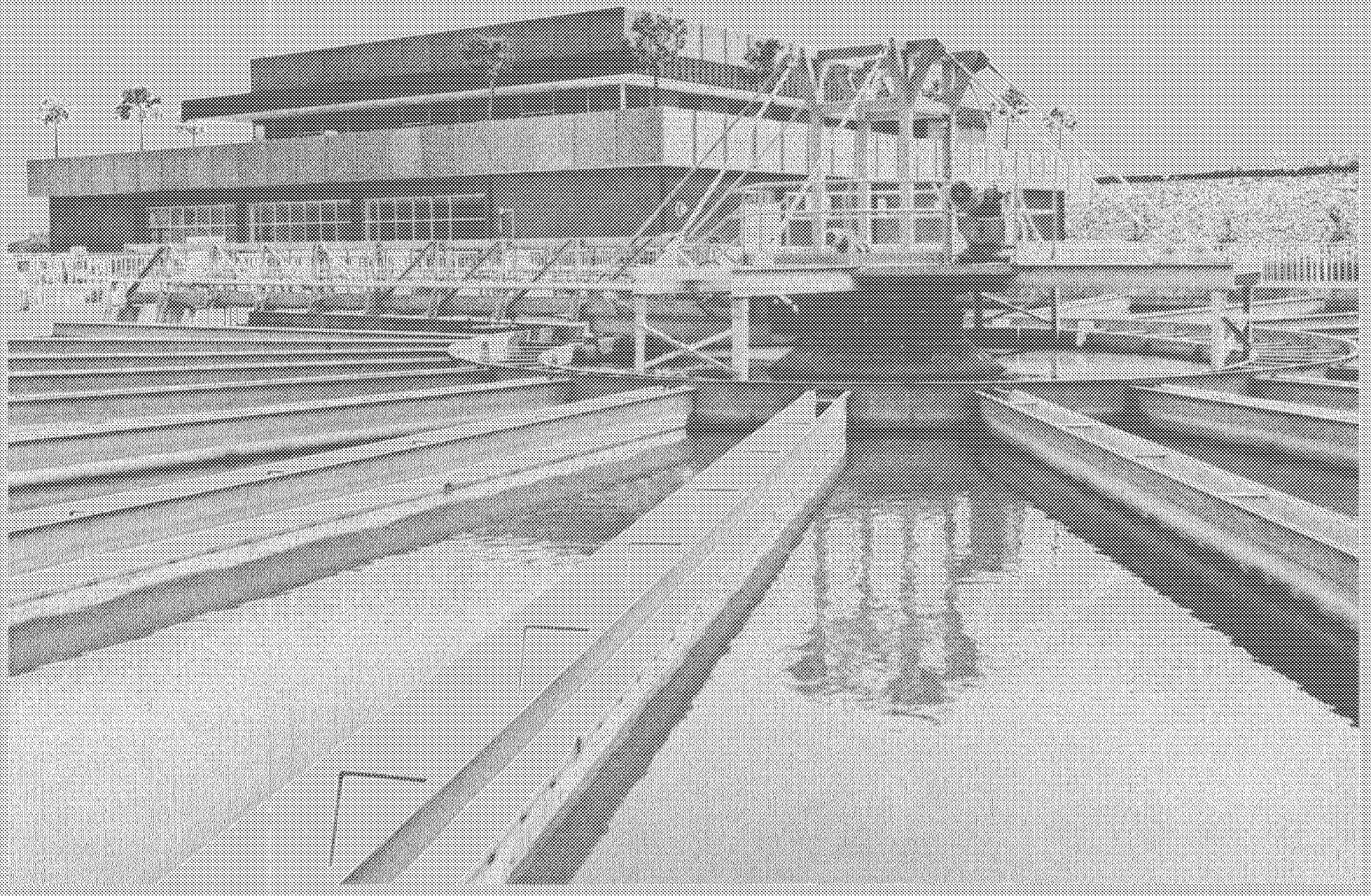
Funds budgeted in this program provide for normal maintenance requirements within the Cost Center. No special maintenance projects are anticipated during the 1975-76 budget year.

Operations Program

Funds budgeted in this program provide for normal operation of the Raw Water Distribution System. No unusual or special operating costs are anticipated during the 1975-76 budget year.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM: Administration	Planning	Construction	Maintenance	Operations	Project Totals
Ordinance Administration	$ 45,060					45,060
Replacement Fund	30,472					30,472
Insurance	7,000					7,000
Administrative Projects	13,620					13,620
Raw Water Distribution		35,536				35,536
Vasona Pump Station			97,558			97,558
Control System-Raw Water			176,933			176,933
Coyote Canal Extension			167,715			167,715
Coyote Alamitos Canal			94,931			94,931
Evergreen Distribution Sys.			48,501			48,501
Kirk Distribution System			130,822			130,822
Penitencia Percolation Pond			65,250			65,250
McClellan Rd. Perc. Pond			331,985			331,985
Almaden-Calero Canal			110,578			110,578
Water Control System				42,452	64,406	106,858
Raw Water T&D - Maintenance				629,615		629,615
Raw Water T&D - Operations					395,294	395,294
Total	$ 96,152	35,536	1,224,273	672,067	459,700	2,487,728



WATER TREATMENT

BACKGROUND INFORMATION

The Water Treatment Cost Center is the third of five cost centers in the Water Utility Enterprise. This Cost Center contains all expenditures associated with the purification of water at the Rinconada Water Treatment Plant and the Penitencia Water Treatment Plant. The expiration date of the current five-year rate period for treated water is June 30, 1976.

SUMMARY BY PROGRAM

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration	$ 14,706	14,028	83,778	119,778	119,778
Planning	425		377		
Construction	1,228,923	3,590,114	513,804	364,151	364,151
Maintenance	232,230	228,902	339,522	390,768	390,768
Operations	575,912	586,115	1,059,467	1,183,349	1,183,349
Total	$2,052,196	4,419,159	1,996,948	2,058,046	2,058,046

Administration Program

This program contains a Replacement Fund and an Insurance Project. The budgeted amount of $119,778 reflects a $36,000 increase compared to the preceding year. This increase is due to the completion of the Penitencia Water Treatment Plant.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement to the life or value of current physical assets. The budgeted amount of $364,151 includes the following significant projects:

Penitencia Water Treatment Plant $298,358

This project provides for site landscaping and for the installation of sidewalks and street lighting required by the City of San Jose along the extensions of Whitman Way and Vista Del Mar as part of the Penitencia Water Treatment Plant project. Also provided for is the quarterly monitoring of inclinometers at the Penitencia Water Treatment Plant site in order to detect potential land movements.

Rinconada Water Treatment Plant $55,945

This project provides for the design of a lime storage and treating system for the Rinconada Water Treatment Plant. Also included is specialized equipment necessary for the monitoring and analysis of water quality.

Maintenance Program

Funds budgeted in this program provide for normal maintenance requirements within the Cost Center. An increase of $51,246 is due to the completion and full-year operation of the Penitencia Water Treatment Plant.

Operations Program

Funds budgeted in this program provide for the normal operation of the two water treatment plants. An 11.7 percent increase in the cost of this program is due primarily to the increased cost of materials and services.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM					Project Totals
	Administration	Planning	Construction	Maintenance	Operations	
Replacement Fund	$ 104,778					104,778
Insurance	15,000					15,000
Penitencia WTP			298,358			298,358
Rinconada WTP			55,945			55,945
Control System RWTP			9,848			9,848
Water Control System				49,528	75,140	124,668
Water Treatment-Maint.				341,240		341,240
Water Treatment-Opr.					1,108,209	1,108,209
Total	$ 119,778	-	364,151	390,768	1,183,349	2,058,046

TREATED WATER TRANSMISSION & DISTRIBUTION

BACKGROUND INFORMATION

This Cost Center is the fourth of five cost centers within the Water Utility Enterprise. This Cost Center contains all expenditures relating to the distribution of treated water to retail customers and includes cost associated with the treated water reservoirs, pumping systems, pipelines and turnouts.

SUMMARY BY PROGRAM

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration	$ 22,757	33,282	62,153	67,365	67,365
Planning	340		8,188		
Construction	711,060	2,608,864	74,123	295,909	295,909
Maintenance	27,979	27,814	68,361	57,079	57,079
Operations	101,636	123,830	143,527	154,522	154,522
Total	$ 863,772	2,793,790	356,352	574,875	574,875

Administration Program

This program includes Ordinance Administration, Replacement Fund, Insurance and Administrative Projects. A slight increase in this program is due primarily to the increased cost of Ordinance Administration.

Construction Program

This program provides for the acquisition or construction of new physical assets or the substantial improvement to the life or value of current physical assets. The budgeted amount of $295,909 consists of the following significant projects:

East Pipeline $152,572

This project provides for the design and installation of cathodic protection systems and for the construction of paving and site landscaping at the five turnout sites along the East Pipeline and the Piedmont Valve Yard.

West Pipeline $131,026

This project will provide for the design and installation of cathodic protection systems on the West Pipeline between Rainbow Drive and Granger Turnout. Also included in this project is the procurement and installation of six vortex shedding meters at treated water turnouts on the West Pipeline.

Control System - Treated Water $12,311

This project provides for the evaluation of west side treated water turnout flow measurement and will include modifications to the existing telemetry system.

Potential Construction $4,200,000

This appropriation is for the purpose of setting aside bond funds for the intended purpose of constructing the Evergreen Reservoir. The reservoir will serve as the terminal reservoir for the East Pipeline.

Maintenance Program

Funds budgeted in this program provide for normal maintenance requirements within the Cost Center. No unusual or special maintenance is anticipated during fiscal year 1975-76.

Operations Program

Funds budgeted in this program provide for normal operation of the treated water distribution system. No unusual operating expenses are anticipated for fiscal year 1975-76.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM Administration	Planning	Construction	Maintenance	Operations	Project Totals
Ordinance Administration	$ 26,135					26,135
Replacement Fund	32,101					32,101
Insurance	4,700					4,700
Administrative Projects	4,429					4,429
East Pipeline			152,572			152,572
West Pipeline			131,026			131,026
Control Sys.-Treated Water			12,311			12,311
Water Control System				25,949	39,367	65,316
Treated Water T&D-Maint.				31,130		31,130
Treated Water T&D-Opr.					115,155	115,155
Total	$ 67,365	-	295,909	57,079	154,522	574,875

ADMINISTRATION AND GENERAL

BACKGROUND INFORMATION

This is the fifth cost center in the Water Utility Enterprise. It contains all expenditures of an administrative and planning nature which cannot be properly assigned to one of the other four cost centers. These costs include those related to the collection of groundwater charges, pricing analysis, financial and cash flow studies, preparation of required annual reports, general water management planning and similar related activities.

SUMMARY BY PROGRAM

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration	$ 173,531	117,941	178,360	184,503	184,503
Planning	249,874	210,243	371,411	433,988	433,988
Construction				3,990	3,990
Maintenance		554			
Operations	81,487	143,780	215,326	198,800	198,800
Total	$ 504,892	472,518	765,097	821,281	821,281

Administration Program

This program includes Insurance, Administrative Projects and Water Revenue Collection Projects. The budgeted amount of $184,503 reflects a slight increase compared to the preceding year. This increase is due to the increased costs of the Water Revenue Collection Project.

Planning Program

Funds budgeted in this program provide for various planning and special study projects that are not clearly identifiable with one of the other cost centers. Projects which are of significant cost are:

Groundwater Basin Cooperative Study with the State Department of Water Resources $18,673

This is the last year of a cooperative study by the State Department of Water Resources of the groundwater basins of the District. Emphasis will be on the completion of the modeling of the Llagas Groundwater Basin and the compilation of a report.

Wastewater Reclamation Study $15,063

This project is a continuing study of the feasibility of using reclaimed water as a supplemental water supply including work leading to the development of a formal proposal for use of the Gilroy and Milpitas Sewage Plants in a study of the use of reclaimed water for agricultural purposes.

Water Quality Cooperative Study $61,020

This is the second year of a three-year cooperative program with the State Department of Water Resources to establish a water quality monitoring network that will define the surface and groundwater quality characteristics, identify problem areas, and evaluate the potential future quality of the water supplies. This is a shared cost project with only the District's share being budgeted.

Financial and Cash Flow Study $27,398

This project provides for the evaluation of the effects of various alternative construction programs on the District's financial position. It also provides for the preparation of an annual financial analysis of the Water Utility.

Annual Water Supply Balance $27,313

This is a continuing project to develop and evaluate information on the changes in supply and groundwater extractions, and the resultant effect on the water resources management program of the District.

Water Resources Master Planning $223,601

This is a continuous review of the prospective water demands, the various sources of

supply including reclaimed wastewater and the extension of existing supplies and the optimal methods of distributing the total supply to meet the demand. This study will provide the District with information on which both short-term and long-term decisions can be made. The project will also aid in the development of a five-year construction plan for the District's water supply facilities.

Water Quality Studies $38,648

This is a continuing program of water quality evaluation of both surface and groundwater supplies and of wastewater disposal. In addition to selected short-term studies there is a continuous monitoring program conducted to maintain surveillance of present and potential water quality problems. The project also contains the last year of a two-year study to monitor water quality in the vicinity of the Gilroy Sewage Treatment Plant.

Advanced Planning - Telemetry $14,772

This is a study to determine future methods of development of the various control systems with special emphasis given to the addition of new facilities to the current system.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement of the life or value of current physical assets. The budgeted amount of $3,990 is to provide funding for two fixed asset items: A frequency selective voltmeter and an organic nitrogen testing apparatus.

Operations Program

Funds budgeted in this program provide for field surveillance of groundwater and surface water production facilities, operation of the meter test facility, and meter testing and repair activities.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM Administration	Planning	Construction	Maintenance	Operations	Project Totals
Insurance	$ 15,000					15,000
Administrative Projects	24,520					24,520
Water Revenue Collection	144,983					144,983
Grd.Wtr.Basin Coop Study with DWR		18,673				18,673
Wastewater Reclamation Study		15,063				15,063
Water Quality Coop Study		61,020				61,020
Financial Analysis Study		7,500				7,500
Financial & Cash Flow Study		27,398				27,398
Annual Water Supply Balance		27,313				27,313
Water Res. Master Planning		223,601				223,601
Water Quality Studies		38,648	2,200			40,848
Advanced Planning-Telemetry		14,772				14,772
Water Control Sys.-Const.			1,790			1,790
Water Measurement					198,800	198,800
Total	$ 184,503	433,988	3,990	-	198,800	821,281

DISTRICT

DIRECT COSTS

GOVERNMENTAL PROGRAM

FIXED ASSETS

DISTRIBUTED EXPENSES

ADMINISTRATION PROGRAM

SERVICES AND SUPPLIES

THE DISTRICT COST CENTER

The District Cost Center budget is presented in two parts. The first part contains the budget for Direct Cost. Direct Cost consists of the Governmental Program and Fixed Assets. The second part contains the budget for Distributed Expense. Distributed Expense consists of the Administration Program and Services and Supplies.

The primary source of revenues to support the Direct Cost of the District Cost Center is obtained by the levy of a Districtwide administrative tax of $.021.

The reserves of the District Cost Center can be used to make loans to other cost centers as approved by the Board of Directors. The reserves for 1975-76 include an amount of $1,200,000 as a contingency against deficiencies in cash flow which could occur in several cost centers due to the magnitude of the requested Construction Programs. The appropriation will be used as required to maintain cost center solvency.

REVENUE SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Cash Beginning of Year	$1,591,373	2,352,077	2,835,729	3,313,479	3,313,479
Additional Sources					
Property Taxes	714,820	773,481	882,725	1,027,263	1,023,694
Interest	80,083	152,814	135,000	156,000	156,000
Agreements and Advances	858,547	607,285	44,106	48,511	48,461
Other	29,637	301,904			
Total Additional Sources	1,683,087	1,835,484	1,061,831	1,231,774	1,228,155
Total Cash Available	$3,274,460	4,187,561	3,897,560	4,545,253	4,541,634

OUTLAY SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Governmental Program	$ 503,263	536,098	705,727	857,613	857,613
Fixed Assets	146,795	266,205	211,904	346,573	346,573
Total Expenditures	650,058	802,303	917,631	1,204,186	1,204,186
Transfer to State Programs	541,841	450,000			
Reserves and Contingency Approp.	2,082,561	2,935,258	2,979,929	3,341,067	3,337,448
Total	$3,274,460	4,187,561	3,897,560	4,545,253	4,541,634

Governmental Program

Projects within the Governmental Program are those which cannot be readily identified with Flood Control or Water Utility Cost Centers. They can be categorized as general type projects which support Districtwide activities. A comparative summary of expenditures in this program can be found in Exhibit 1, page 74.

Budgeted costs for fiscal year 1975-76 have increased $151,886 or approximately 21 percent over the preceding year. This increase is due primarily to expansion of the Basic Engineering, Basic Data Collection, MIDS Subsystem Studies, Administrative Projects and Public Education Projects. Projects included in the Governmental Program are:

Basic Engineering $52,116

This is a continuing project consisting of engineering research studies and analysis that result in improved engineering, planning, design, construction, operation and maintenance of future projects. This includes efforts in the area of the development of engineering standards and procedures manuals, the review and development of five-year schedules and longer periods for flood control and water supply planning and construction and review of project financing capabilities and goals. In fiscal year 1975-76 the project reflects a 55 percent increase compared to the amount budgeted in fiscal year 1974-75.

Basic Data Collection $278,871

This project consists of collection of basic data relating to land surface elevations, amounts of rainfall, rates of evaporation, streamflow quantities, depth to groundwater, water quality, and items of similar nature gathered for the purpose of creating a historical log which can be used by present and future generations in the analysis of District flood control and water supply problems. Emphasis is being placed on increased computer utilization and on the review of existing facilities for an improved and more effective data collection program to meet the needs of the District.

Flood Insurance Liaison Study $7,251

This project is a continuing program to provide for updating of flood maps, for liaison with political jurisdictions relative to requirements of the Federal Flood Insurance Program and for dissemination of general information to all concerned with the program.

Implementation Well Standard Study $8,599

This project is for administering well sealing and construction standards. The Well Construction Standards Ordinance will be completed in fiscal year 1974-75. The administration of the Sealing Ordinance is to begin in fiscal year 1975-76.

MIDS Subsystem Study $35,000

This project will provide funds for consulting services to continue the review of the financial subsystems. Work will involve evaluation of documentation and data retention procedures, conversion and implementation techniques, development of operating manuals, and detail transaction test of specific programs to determine the adequacy and accuracy of the control procedures from an accounting and audit perspective. The project also provides for consulting services for review of the current concepts of the MIDS system and to reassess the original MIDS concept to maximize the effectiveness of the total system.

Audiovisual Study $2,500

This is a study to provide for audiovisual improvement for the Board of Directors' room.

Insurance Project $15,000

This project provides for an insurance reserve to meet the deductible amounts in the event of a loss, reimbursement costs of damages to District fixed assets that are not insured, to pay for additional premiums generated by market fluctuations or adverse loss experience, and for use on a loan basis to other cost centers where the reserve is depleted.

Administrative Projects $276,041

This project includes all of the time chargeable to District administrative work which cannot be directly related to a Flood Control Cost Center or Water Utility Cost Center but rather has a benefit to the District as a whole. The following is a list of functions usually found within the basic project: Personnel Education and Training, Personnel Recruitment, Budget Preparation and Meetings, Real Estate Administration, Survey Administration, Administrative Analysis, Storm Patrol, Updating of Manuals, Personnel Safety, and Board Administrative Assistance.

Basic Hydrology $22,669

This is a continuing project which consists of analysis of data collected under the Basic Data Collection Project. Analysis of the data will result in updating our current methods of computing design flood flows and determining the optimum reservoir operation of our existing reservoir system.

Community Employment Project $4,165

This project provides for District participation in community employment programs. These programs are usually sponsored by other governmental agencies to provide training or employment for the under-employed, unemployed or those persons requiring a source of income to finish their education. Usually these programs will involve partial reimbursement by the sponsoring agency.

Directors Fees and Expenses $53,500

This project provides for the expenditures of members of the District's Board of Directors.

Public Education $78,978

This project provides for the development and implementation of a program of public information and education. The increase in this project over the preceding year is to provide for activities associated with providing factual information concerning District programs, providing tours of facilities, preparing news releases to press and broadcast media, preparing information displays, brochures and publications, and providing liaison work for special services relating to the District's overall public information requirements.

Environmental Impact Analysis $17,608

This project provides the time for District personnel to do research, attend meetings, and make presentations in connection with the preparation of environmental impact analysis reports which are of a general nature and not chargeable to a specific project. It also includes staff time required to review environmental impact reports of other public agencies.

Fish Assistance $5,315

This project provides for the movement of fish from various waters in the District when it is necessary to dry up a facility. This is a cooperative program with the Department of Fish and Game and the County Parks and Recreation Department.

Fixed Assets

Fixed Assets purchased from the District Cost Center are used to support Districtwide activities as a whole. They are of the type that cannot be identified with or purchased from the funds of any other cost centers.

Land $83,000

These funds are designated for purchase of land adjacent to the District Headquarters as well as land required for the location of streamflow stations for the collection of basic data. This item is being rebudgeted from the preceding year.

Structures and Improvements $79,300

This account reflects approximately a $59,416 increase compared to the preceding year. This increase is due primarily to the construction of additional parking spaces adjacent to the Headquarters Building due to the widening of Almaden Expressway. Other budgeted items include alterations and modifications to the District Administration Building, modifications to the existing computer facility, and an equipment storage shed in the Maintenance Shop area.

Office Equipment $13,961

Budgeted funds provide for the acquisition of typewriters, calculators and printing equipment. This account has been increased by approximately $4,634 compared to the preceding year.

Automotive Equipment $11,635

This account has been decreased by approximately $4,228 compared to the preceding year. The budgeted funds are necessary to upgrade an existing 1/2 ton utility truck to a 15,000# GVW, 4-wheel-drive truck to be used for welding purposes. In addition, a fiberglass top is needed to extend the headroom in an existing van to allow technicians to stand during telemetry component repairs.

Communications Equipment $5,250

This account shows a $3,490 increase compared to the preceding year. Budgeted funds are necessary to replace four obsolete radio units and to procure one additional new radio unit for one Canal Tender's truck.

Hydrologic Equipment $65,503

This account shows a $43,903 increase compared to the preceding year. Funds are budgeted to provide for the construction of two hydrologic stations, for the acquisition of four automatic precipitation recording gages, and for materials to fabricate ten additional telemetry units. Funds are also budgeted for computer peripherals to provide for processing of hydrologic data on the District's computer and for inspection of construction of streamflow stations.

Water Measuring Equipment $2,850

This account has been decreased by $2,150. Budgeted funds are to provide propeller meters for new installations or replacement of worn or damaged existing meters and for the procurement of limnological equipment.

Other Equipment $66,884

The budgeted figure represents a $20,745 increase compared to the preceding year. New items of equipment being budgeted are shelving for the Administrative Services Annex; a portion of the Burroughs B2700 computer system; computer terminal devices and device installation; a boat, motor and trailer combination for limnological samplings; electronic measuring devices for field survey work; storage shelving to replace unsafe storage racks in the maintenance area; various pieces of pneumatic, hydraulic and power maintenance equipment; a wheel alignment machine for use in the maintenance shop areas; and equipment for the Public Education Project.

Office Furniture $18,190

The Office Furniture Account shows an $8,859 increase compared to the preceding year. This account provides for various 5-drawer file cabinets; microfilm and microfiche file cabinets; flat-map storage file cabinets; plan-holder cabinets; and furniture for the lobby and law library. Also included are chairs, bookcases, tables and two desks.

EXHIBIT 1

SUMMARY OF GOVERNMENTAL PROGRAM PROJECTS

Project	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Basic Engineering	$ 45,390	13,502	33,643	52,116	52,116
Basic Data Collection	200,648	198,072	268,264	278,871	278,871
Geographic Names Study	722		921		
Flood Insurance Liaison Study	2,708	2,023	5,446	7,251	7,251
Implementation Well Standards Study		4,912	4,888	8,599	8,599
MIDS Subsystem Study	14,000	15,104	14,000	35,000	35,000
Audiovisual Study				2,500	2,500
Insurance Project				15,000	15,000
Administrative Projects	144,523	228,336	208,365	276,041	276,041
Basic Hydrology	20,696	16,103	17,747	22,669	22,669
Community Employment Project	14,116	491	6,243	4,165	4,165
Directors Fees and Expenses	12,600	22,720	51,400	53,500	53,500
Public Education	28,729	34,301	69,566	78,978	78,978
Environmental Impact Analysis			20,311	17,608	17,608
Emergency Comm. Analysis Study	7,964				
Well Construction Stds. Study	7,941				
Fish Assistance	3,226	534	4,933	5,315	5,315
Total	$ 503,263	536,098	705,727	857,613	857,613

EXHIBIT 2

SUMMARY OF FIXED ASSET ACCOUNTS

Account		Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
1200	Land	$	40,000	83,000	83,000	83,000
1305	Structures & Improvements	30,550	48,657	19,884	79,300	79,300
1401	Office Equipment	21,160	10,293	9,327	13,961	13,961
1402	Automotive Equipment	4,060		15,863	11,635	11,635
1403	Communication Equipment		9,052	1,760	5,250	5,250
1404	Hydrologic Equipment	12,029	12,510	21,600	65,503	65,503
1405	Water Measuring Equipment	3,032	3,650	5,000	2,850	2,850
1406	Other Equipment	62,293	126,142	46,139	66,884	66,884
1407	Office Furniture	13,671	15,901	9,331	18,190	18,190
Total		$ 146,795	266,205	211,904	346,573	346,573

DISTRIBUTED EXPENSE

Distributed Expense is overhead cost. Overhead consists of the District Cost Center's Administration Program and its Services and Supplies accounts. These expenditures are reimbursed by applying Distributed Expense as an overhead rate to all District labor charged to work performed in other cost centers. Since all costs are reimbursed, expenditures for Distributed Expense do not reduce the revenues of the District Cost Center. The following is an historical review of Distributed Expense.

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Administration Program	$1,682,782	1,841,205	2,077,881	2,489,640	2,489,640
Services and Supplies	368,235	442,933	561,553	630,992	630,992
Total Expenditures	$2,051,017	2,284,138	2,639,434	3,120,632	3,120,632

Administration Program

Administration Program expenditures are those which support Districtwide activities and therefore cannot be charged directly to another cost center or fund. These projects reflect a $411,759 increase compared to the preceding year.

Sick Leave, Vacation, etc. $688,558

This project includes all time chargeable to sick leave, vacation, holidays, jury duty, military leave, and approved leave with pay. This project reflects a $121,251 increase compared to the preceding year.

Ordinance Administration $14,187

This project is to provide a continuing review of Ordinance 74-1 and the development of an Ordinance Division Permit Manual.

General Services $93,110

This project provides for District labor spent in general activities such as purchasing, reproduction services, equipment and materials inventory, administration offices maintenance, and messenger services.

Finance Services $145,631

This project provides accounting services for all areas of the District including Flood Control Zone Accounting, Water Utility Accounting, General Governmental Accounting, Revenue Accounting, Payroll and Investments.

Secretarial Services $350,008

This project provides for the secretarial and clerical services for the entire District. This includes personnel records, reception services, library services, filing, mail distribution, maintenance of minutes for committees and the Board of Directors, dictation, typing and general secretarial services.

Management Project $312,488

This project provides for time spent by management personnel of the District.

Data Processing, Engineering and Scientific $9,160

This project provides applications-systems design, programming, debugging, production and maintenance of engineering and scientific data processing applications which are of general benefit to the entire District.

Data Processing, Business, Administrative and Commercial $84,280

This project is for the systems design, programming, debugging, operations and maintenance of business, administrative and commercial data processing applications that are of general benefit to the entire District.

Computer Systems Analysis $14,656

This is a continuing project to evaluate proposed projects requiring computer methods, analysis and use.

Data Processing Operations $27,851

This project includes data processing operations required by the in-house computer facility.

Administration Maintenance $82,142

This project provides for the routine maintenance, custodial and landscaping work required to maintain the Administration and Maintenance Headquarters, the Almaden Yard area and Class IV equipment.

Employee Benefits $667,569

This project provides for funding the employee health and accident insurance, long-term disability, dental insurance, basic life insurance and retirement program through the Public Employees Retirement System.

Services and Supplies

Services and Supplies purchased from the District Cost Center are used to support Districtwide activities as a whole. They are of the type that cannot be identified with or purchased directly from the funds of any other cost center. The cost of Services and Supplies are, however, recovered as applied overhead. Services and Supplies' costs have increased approximately 12 percent compared to the prior fiscal year.

Communications $52,674

The communications account reflects a $9,084 increase compared to the preceding year. This increase is due primarily to increases in telephone rates. The budgeted amount also includes minor modifications to the existing system and the installation of new telephone service.

Insurance - Workmen's Compensation $55,800

This account provides premiums for Worker's Compensation Insurance. Quarterly and deposit premiums are $5,000. Experience modification has improved to 65 percent of premium computed at basic or scheduled rates. Rates for 1975 have been increased by 16-48 percent.

Insurance - Other $4,500

This account includes property insurance for Administration Headquarters and maintenance buildings and contents, miscellaneous tools, non-owned aircraft insurance, and various forms of crime coverage (employee bonds, etc.).

Maintenance Services $67,347

This account provides for photographic, drafting and survey equipment maintenance, janitorial services, fire extinguisher services, pest control services, elevator maintenance, air-conditioning and heating service, relamping and lighting service and maintenance of mobile and remote radio units.

Materials and Supplies $58,810

This account includes funding for graphic art and safety supplies, miscellaneous janitorial supplies, lumber, paint, steel pipe, welding and masonary supplies, protective clothing and other materials necessary for maintenance work at the Administration and Maintenance Headquarters buildings.

Memberships $9,637

This account includes funding to provide for the various professional and technical memberships in associations which relate to the functions of the District.

Office Expense - General Supplies $45,583

This account includes drafting supplies, notebooks, binders, pencils, graph paper, tab cards, labels, library supplies and other supplies of a general nature. This account has increased approximately 60 percent over the preceding year. This increase is due largely to the increased cost of paper and petroleum related products.

Office Expense - Reproduction Supplies $21,894

This account includes microfilm supplies, xerox supplies, paper and bindery supplies and supplies for the blueprint machines.

Office Expense - Printing and Binding $15,890

This account includes funding for printing of the Annual Report, payroll and general checks, W-2 forms, business cards, maps and various real estate and legal forms which cannot be printed using District reproduction equipment.

Office Expense - Postage $15,290

This account provides funding for metered mail and miscellaneous postage.

Contract Services - Auditing $16,700

This account includes the auditing fee for the third year of a three-year contract. Also included is a small contingency amount to cover special reports and studies.

Contract Services - Data Processing $23,000

This account provides for computer services which cannot be supplied by the current in-house facilities. Included are keypunching services to provide for vacations and unusual backlogs, contract programming to reduce backlog of work and scientific programming effort to convert current engineering data packages to the in-house facilities. Also included is the purchase of existing software packages which are more economical than in-house programming.

Contract Services - Other $12,305

Budgeted amounts provide for pre-employment physicals and placement testing, microfilming contracts, security and fire alarm services for the Administration Building, after hours availability of District cafeteria services, and the maintenance and completion of the valuation study of the District's buildings and contents at the Penitencia Water Treatment Plant.

Publication Fees and Legal Notices $6,100

This account is to provide for recruitment advertising to fill current District vacancies and miscellaneous legal advertisements and notices.

Lease Expense - Equipment $101,126

Requested funding provides for the lease of a microfilm reader printer system, xerox duplicating machines, keypunch and verifying machines, special electronic test equipment for field test, and a portion of the Burroughs computer system.

Small Tools and Instruments $24,595

In addition to the general small tools and instruments required by the District, funds have been requested to provide for safety equipment necessary to meet the requirements of the Occupational Safety and Health Act.

Special Expense - Education $16,000

This account provides for tuition fees, textbooks and supplies for educational courses, seminars, conferences and training programs.

Special Expense - Other $27,357

This account provides for the acquisition of publications, library documents, and employee awards, as well as for the procurement of film and photographic processing.

Transportation and Travel - Public/Lodging/Meals $21,650

This account provides funding for authorized travel by the staff when on District business. The budgeted amount also includes lodging and meals.

Utilities $34,734

This funding is to provide utilities at the Administration and Maintenance Headquarters buildings. Budgeted amounts include funding for water, gas, electricity, disposal and dump charges, standby charges, and sewer service and use charges.

EXHIBIT 3

SUMMARY OF ADMINISTRATION PROGRAM PROJECTS

Project	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Sick Leave, Vacation, etc.	$ 452,390	516,559	567,307	688,558	688,558
Ordinance Administration	4,170	10,670	8,990	14,187	14,187
Unplanned Studies	6,676	287			
General Services	76,666	78,075	82,062	93,110	93,110
Finance Services	109,624	120,163	130,785	145,631	145,631
Secretarial Services	228,045	213,176	259,902	350,008	350,008
Management Project	261,879	281,571	264,987	312,488	312,488
DP - Engineering & Scientific	3,935	16,467	8,214	9,160	9,160
DP - Bus. Admin. & Commercial	100,984	71,254	62,071	84,280	84,280
Computer Systems Analysis		16,238	11,488	14,656	14,656
Data Processing Operations		6,404	27,406	27,851	27,851
Administration Maintenance	58,443	69,309	75,736	82,142	82,142
Employee Benefits	379,970	441,032	578,933	667,569	667,569
Total	$1,682,782	1,841,205	2,077,881	2,489,640	2,489,640

DISTRICT DISTRIBUTED EXPENSE

EXHIBIT 4

SUMMARY OF SERVICES AND SUPPLIES ACCOUNTS

		Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
6100	Communications	$ 22,032	39,474	43,590	52,674	52,674
6510	Insurance-Workmen's Comp.	31,920	32,150	36,666	55,800	55,800
6520	Insurance-Other	4,800	2,155	4,500	4,500	4,500
7200	Maintenance Services	52,881	45,644	59,243	67,347	67,347
7400	Materials and Supplies	24,480	33,071	45,080	58,810	58,810
7700	Memberships	4,022	4,840	7,127	9,637	9,637
7810	Office Expense-General Supplies	23,744	22,579	28,141	45,583	45,583
7820	Office Expense-Repro. Supplies	13,840	14,248	17,198	21,894	21,894
7830	Office Exp.-Printing & Binding	17,500	22,752	13,985	15,890	15,890
7840	Office Expense-Postage	5,560	7,558	7,740	15,290	15,290
8020	Contract Services-Auditing	13,840	12,750	15,500	16,700	16,700
8030	Contract Services-DP	32,800	52,720	142,319	23,000	23,000
8060	Contract Services-Other	26,440	21,602	17,672	12,305	12,305
8100	Public Fees & Legal Notices	2,500	5,636	5,000	6,100	6,100
8420	Lease Expense-Equipment	27,850	42,182	29,902	101,126	101,126
8600	Small Tools & Instruments	9,832	11,145	13,054	19,205	19,205
8610	Small Tools & Instr.-Survey	4,826	2,254	5,185	5,390	5,390
8710	Special Expense-Education	12,145	11,420	13,400	16,000	16,000
8730	Special Expense-Other	8,049	11,632	7,171	27,357	27,357
9110	Trans. & Trav.-Pub./Lodg./Meals	12,040	17,079	16,000	21,650	21,650
9300	Utilities	17,134	30,042	33,080	34,734	34,734
Total		$ 368,235	442,933	561,553	630,992	630,992

SERVICE FUND

EQUIPMENT WORKING CAPITAL FUND

REVENUE SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Cash Beginning of Year	$ 276,402	300,801	171,919	320,274	320,274
Revenue Sources					
Equipment Rental	226,872	286,059	277,474	324,526	324,526
Interest	14,557	21,656	20,000	15,000	15,000
Sale of Equipment	7,262	15,640	14,650	10,000	10,000
Total of Revenue Sources	248,691	323,355	312,124	349,526	349,526
Total Cash Available	$ 525,093	624,156	484,043	669,800	669,800

OUTLAY SUMMARY

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Operating Expense	$ 173,264	227,719	251,965	292,619	292,619
Equipment Purchase	51,028	202,638	49,537	85,622	85,622
Total Expenditures	224,292	430,357	301,502	378,241	378,241
Inter-Fund Adjustment		5,043	3,968	5,377	5,377
Reserves and Contingency Approp.	300,801	188,756	178,573	286,182	286,182
Total	$ 525,093	624,156	484,043	669,800	669,800

BACKGROUND INFORMATION

The Equipment Working Capital Fund was established for the purpose of maintaining, operating, and replacing three types of mobile equipment owned by the District. Type I Equipment consists of sedans and pickup trucks, Type II Equipment consists of heavy-duty trucks, and Type III Equipment consists of heavy-operating equipment such as bulldozers, Gradalls, draglines, and other similar types of equipment used for maintenance of District projects.

The Equipment Working Capital Fund is self-supporting with all replacement and maintenance cost being charged by preestablished rates to all projects in the various cost centers. The expenses of the Equipment Working Capital Fund are recovered by a mileage rate charged on Type I equipment and hourly rates charged for Type II and Type III equipment.

Equipment Purchases

The Equipment Purchases section is used to reflect the cost of all equipment items. The budgeted amount of $85,622 is necessary to provide for the placement of the various classes of equipment shown below.

The necessary funding is provided by current revenues supplemented by reserve amounts accumulated for the replacement of equipment items.

The items listed for replacement have been selected on the basis of accumulated mileage, obsolescence and planned needs of the District.

Class I Equipment $85,622

Class I Equipment items scheduled for replacement consist of seven compact sedans, one compact station wagon, six light utility trucks, five 1/2 ton standard pickup trucks, and one van with a raised top. In addition, one 1/2 ton pickup truck scheduled for replacement will be replaced with a 15,000# GVW, 4-wheel-drive truck.

The above figure represents replacement amounts which were generated by the established equipment usage rates. In one case where more expensive equipment is being obtained, additional funding has been budgeted in the Fixed Asset Accounts of the District Cost Center.

Operating Expense

The Operating Expense section of the Equipment Working Capital Fund provides for insurance, materials and supplies, and District labor to service and maintain all equipment items within the Fund. Budgeted cost of $292,619 reflects a $40,654 or a 16 percent increase compared to the preceding year.

SUMMARY OF PURCHASES AND OPERATING EXPENSE

	Actual 1972-73	Actual 1973-74	Approved 1974-75	Requested 1975-76	Final 1975-76
Equipment Purchases	$				
Class I	18,438	78,832	49,537	85,622	85,622
Class II		53,085			
Class III	32,590	70,721			
Operating Expense	173,264	227,719	251,965	292,619	292,619
Total Purchases and Expense	$ 224,292	430,357	301,502	378,241	378,241